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Clinton Makes Light of New Shooting at White House

'Just Another Day' As Intruder Draws Secret Service Fire

Compiled by Our Staff From Dispatches

WASHINGTON — President Bill Clinton on Wednesday shrugged off a new security breach at the White House, in which an intruder and a Secret Service agent were shot, calling the incident "just another day at the White House."

Federal prosecutors prepared assault and firearms charges on Wednesday against the late-night intruder, who scaled a White House fence and raced toward the presidential mansion with an unloaded pistol before officers shot him.

The intruder, Leland William Modjeski, 37, was stopped not far from where Mr. Clinton had stepped from his limousine just a half hour earlier. A Secret Service agent was wounded as he scuttled with Mr. Modjeski, apparently by the same shot that brought down the gunman.

It was the third serious breach of White House security in a year. Because of heightened security concerns, the Secret Service on Saturday closed down Pennsylvania Avenue outside the north fence.

"We were never in any danger," Mr. Clinton was quoted as saying by the White House spokesman, Michael McCurry. "The Secret Service did a great job. They were right on it; they were brought in."

Mr. Modjeski was brought down 30 to 50 yards (27 to 45 meters) from the White House. The man, from Falls Church, Virginia, just outside Washington, had recently been dismissed from his job as a pizza deliveryman, police said. But they offered no motive for the fence-jumping and were questioning his wife.

The police said they did not believe Mr. Modjeski intended to kill the president.

"At this time, there is nothing to indicate it was an attempted assassination."

See ATTACK, Page 10



AJAX WRENCHES CUP FROM MILAN, 1-0 — Ronald de Boer of Ajax, left, fighting Marco Simone of AC Milan for the ball in the European Champions Cup. Patrick Kluivert, a substitute, scored the winning goal. Page 20.

Broad Backlash on Trade Threat Surprises U.S.

By Alan Friedman
International Herald Tribune

PARIS — It's not easy being the world's last surviving superpower and having to adjust to the realities of a multilateral world.

Life, in fact, has become much rougher for the United States and its top trade emissaries ever since May 16, when President Bill Clinton decided to threaten Japan with \$5.9 billion of punitive car tariffs.

For one thing, Washington has found itself under relentless attack not only from Japan but from Europe. This is especially troubling for U.S. officials who are convinced that they are doing "the Lord's work," as one put it, and work that will benefit Europe as well.

Washington appears to have been caught off guard by the criticism and in recent days has seemed less confident and more isolated as it has tried to make its case about prying open the Japanese car market.

On Wednesday, the United States had to spend hours negotiating to block a pro-

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posed condemnation of its sanctions threat that Japan wanted included in an international communiqué — and one issued by the normally anodyne Organization for Economic Cooperation and Development. (Page 10)

The truth is that Tokyo has not only refused to bow to U.S. pressure; it has begun to assert itself aggressively, and in

precisely the way it has been urged to by the United States — only this time against the United States.

The European Union, meanwhile, has sought to curry favor with Japan, attacking the U.S. sanctions threat repeatedly over the past seven days as "illegal" and terminating it potentially damaging to the world trading system.

On Wednesday, Sir Leon Brittan, the European Union's trade commissioner, entered the fray again, this time warning that the EU would bring a complaint to the World Trade Organization if the U.S. scares a car deal in Japan that discriminates against European manufacturers.

Several U.S. officials said they perceived a gap between the private beliefs and the public rhetoric of Europeans such as Sir

Israelis and Syrians Reach Agreement in Security Discussions

U.S. Says Foes Will Work Out the Details Of Withdrawal From the Golan Heights

By Thomas W. Lippman
Washington Post Service

WASHINGTON — Israel and Syria have broken a logjam in negotiations over security arrangements that would accompany a peace agreement, opening the door to a new round of direct talks between senior military officers of the two countries to work out the details, the State Department announced Wednesday.

While U.S. and Israeli officials stressed that the agreement was a modest step on what is still a long, bumpy road to peace, they were clearly elated by the removal of an obstacle that had stalled negotiations for months.

It represented the first time since the current framework of Middle East diplomacy was established in Madrid in October 1991 that Israel and Syria had actually agreed on anything, the officials also declared.

The agreement consists of "guidelines" or "parameters" that will enable senior military officers and security experts to negotiate details of early warning systems, demilitarized areas, troop pullbacks, weapons deployment limits and other security arrangements that would be put in place in the event of a peace treaty, senior officials said.

This is an important development, but there still are significant gaps between the parties and there is much hard work to be done on the security arrangements, and on all the non-security issues, Secretary of State Warren M. Christopher said in a statement read by the State Department spokesman, Nicholas Burns.

Mr. Christopher plans to visit the Middle East next month for the first time since March.

After the visit, senior Israeli and Syrian military officials will confer in Washington to negotiate details of the security arrangements, Mr. Burns said.

It will be the U.S. secretary's 13th trip to the region.

Israel's decision earlier this week to suspend a plan to confiscate Arab land in East Jerusalem to build a police station and housing for Jews was critical to the agreement to proceed with the security talks, officials said.

Had Israel gone ahead with the confiscation plan and the Arabs condemned it at a planned summit meeting, "we would have been in a much different situation," a State Department official said.

In telephone conversations with Mr. Christopher on Tuesday and Wednesday, Foreign Minister Farouk Shara of Syria appeared to have offered a modest concession on a crucial point of definition that had stalled the negotiations for several months.

In discussions of mutual troop withdrawals that might accompany the return of the Israeli-occupied Golan Heights to Syria as part of a peace agreement, Syria has insisted that the redeployments and security zones be "mutual, balanced and equal."

Israel insisted that it would not accept geographic equality because of the disparity in size between the two countries and the fact that the Golan overlooks Israel's populated heartland.

Instead, Israel sought symmetry of effect.

Syria has now accepted a formulation that is agreeable to Israel, sources familiar with the negotiations said.

Reuters reported from Washington: Earlier this week Mr. Christopher had ruled out a return to the Middle East in the weeks ahead. Syria had complained that U.S. security proposals for the Golan failed to take into account Israel's military edge.

The sudden narrowing of differences is a step toward Israel's surrender of the land, which it captured during the 1967 Middle East War and formally annexed in 1981.

Prime Minister Yitzhak Rabin of Israel had indicated he would exchange the territory for peace with Syria provided that Israel's security was protected.

By the end of the month, Israeli and Syrian military security experts are to come to Washington to start sporadic negotiations that Ambassadors Itamar Rabinovich of Israel and Walid Moualem of Syria have held over the past several months.

The two nations began their negotiations in October 1991.

From the outset, President Hafez Assad of Syria has insisted on nothing less than the full recovery of the entire Golan Heights.

Mr. Rabin campaigned to be prime minister with a pledge not to "go down" from the Golan border plateau. After his election, though, he changed his stance.

The U.S. announcement, read by Mr. Burns, said the agreement covered "general terms of reference."

Mr. Christopher said that the U.S. special Middle East coordinator, Dennis Ross, would visit the region next week.



Women running for cover on Wednesday as fighting escalated around Sarajevo. Officials said phosphorus shells were being used to intimidate civilians.

AGENDA

Car Bomb Kills 4 at Lima Hotel

LIMA (AFP) — A car bomb exploded in front of a luxury hotel and casino here Wednesday, killing four people.

No one claimed responsibility, but the authorities' suspicions immediately fell on the Maoist-inspired Shining Path guerrilla group.

The bomb, 80 kilograms (175 pounds) of dynamite in a Lada automobile, detonated at 4:20 A.M., blasting the facade of the Maria Angola hotel and causing widespread damage in the chic Miraflores district.

Shortly before the blast, five to seven heavily armed men burst into the hotel's casino and ordered people onto the floor in an apparent robbery, witnesses said. The police were unable to say if the two episodes were related.

Attorney General Blanca Neira Colan indicated that at least one suspect had been arrested near the hotel, where two guards and an employee at the casino were killed immediately.

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Pretoria's Retired Officers Seek New Wars

By Howard W. French
New York Times Service

PRETORIA — To the old apartheid regime and its supporters, they were heroes, fighters who in units with names like Selous Scouts or Crowbar carried out devastating clandestine operations against neighboring countries or propped up clients of South Africa.

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To most of its neighbors, they were seen as brutal enforcers of South Africa's unchallenged dominance in the region.

With the apartheid era now over and the Cold War a memory, South Africa's special forces briefly found themselves without a role. But now, with civil wars still doting the continent and outside powers less interested than ever in becoming involved, scores of retired officers have

signed on with a new breed of outfit that straddles the line between the role of classic foreign adviser and outright gun for hire.

Nowhere have these outfits played a larger role than in Angola, which has been embroiled in civil war for most of the past two decades.

There, a Pretoria-based company known as Executive Outcomes has been credited with quickly turning around the civil war in favor of the nominally socialist government and forcing a settlement on Jonas Savimbi, leader of the badly battered rebel movement known as UNITA, the National Union for the Total Independence of Angola.

In the proxy conflicts in sub-Saharan Africa during the Cold War, many of the 500 or so South African recruits with Executive Outcomes fought alongside Mr. Savimbi.

See AFRICA, Page 10

Year-Old 'Chunnel' in Financial Straits

By Richard W. Stevenson
New York Times Service

DOVER, England — Sitting aboard the ferry Pride of Burgundy as it steamed toward France, Kenneth Poulter said he had no intention of trying the Channel Tunnel, the undersea link that was supposed to revolutionize travel between Britain and the Continent.

"I can't see the point of sitting down there in a long tunnel," Mr. Poulter said, heading for a three-day weekend in France. "We regard the actual crossing as part of the vacation, and the ferry is a much more pleasant way of doing that."

At more than \$15 billion, the 50-kilometer (31-mile) tunnel is one of the most expensive building projects in history, and the biggest to be financed without taxpayers' money.

Its debt burden is crushing. Its efforts to get up and running at full speed remain plagued by delays. As Mr. Poulter's attitude suggests, it faces stubborn public skepticism, with ridership far short of its goals.

By its own reckoning, Eurotunnel, the publicly traded British-French company that manages the tunnel, has from now until the end of September, the peak

travel season, to prove to its increasingly nervous bank lenders that it can solve its problems and start winning over travelers.

"We only have the summer of '95 to prove what we can accomplish," said Sir Alastair Morton, co-chairman of Eurotunnel.

If it succeeds, the 225 banks, led by Midland Bank and National Westminster Bank of Britain and Crédit Lyonnais and Banque Nationale de Paris of France, are likely to keep the company afloat by extending more credit to cover \$1.5 billion in annual interest on nearly \$13 billion in debt. If not, the banks will almost certainly pull the plug.

Not that the tunnel would close. But shareholders would be wiped out or see their already battered investments diluted.

See CHUNNEL, Page 10

Court's Constitutional Near-Miss

By Linda Greenhouse
New York Times Service

WASHINGTON — The surprise in the Supreme Court's decision on term limits was not the result. Ever since the court agreed last June to decide the case, it had been widely assumed that the justices would find state-imposed limits on congressional terms to be unconstitutional.

Now did the surprise lie in the divided vote. The case, argued last November, was the oldest undecided one on the court's docket, suggesting that a struggle of some dimension was un-

der way that would be unlikely to produce a unanimous ruling.

Rather, the startling aspect of Monday's 5-to-4 decision in U.S. Term Limits v. Thornton was how close the court came to

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rewriting the script of modern constitutional law and of long-dominant political thought.

Justice Clarence Thomas's dissenting opinion, signed also by Chief Justice William H. Rehnquist and by Justices Sandra Day O'Connor and Antonin Scalia, would have deposed the federal government from its primary role in the con-

stitutional system and resurrected the states as the authentic organs of democratic government.

Taking the opinion at face value, and recognizing that the court would not actually go so far in the crucible of a real case, it is only a slight exaggeration to say that the dissent brought the court a single vote shy of reinstating the Articles of Confederation, the affiliation of sovereign states that the Constitution replaced with the federal system in 1789.

It is hard to overstate the importance of how close they came to something radically different from the modern understanding of the constitution," said Laurence H. Tribe, a professor at the Harvard Law School.

Furthermore, it is barely a month since the same four justices, joined then by Justice Anthony M. Kennedy to make a 5-4 majority, ruled in United States v. Lopez that the authority of Congress to regulate interstate commerce did not reach as far as it had been generally assumed for nearly 60 years. The court held in that case that Congress did not have the power to make it a federal crime to possess a gun near a school.

The two events — what the court accomplished in the Lopez decision and what the dissenters nearly achieved this week — have together put in play for the first time in a half-century fundamental questions about the essential nature of the federal government.

While the dissenters fell short this week, they framed the terms of the debate, retrieving it from the scholarly journals and from its primary role in the con-

stitutional system and resurrected the states as the authentic organs of democratic government.

"The court is reaching the question at the heart of it all: Did we authorize all this government?" said Roger Pilon, an enthusiastic supporter of the court's new focus who runs the Center for Constitutional Studies at the Cato Institute, an influential libertarian research organization here.

Cheerfully conceding that the underlying question was one of the legitimacy of the national government, Mr. Pilon said: "When you ask the question 'by what authority?' you are asking the most fundamental question in law and in politics. And it's absolutely consistent with the mood of the country that wants to get Washington off our backs."

Judge John Paul Stevens, the 75-year-old liberal Republican who wrote the majority opinion striking down state-imposed term limits, is really the court's "most reactionary member," Mr. Pilon said. "He is defending the ancien régime" of centralized federal power that is enshrined in the court's modern precedents.

He added that Justice Thomas, at 47 the court's youngest member, was "speaking for the future" in his states' rights dissent.

Whether that is an accurate forecast of the court's balance of power depends in part on where Justice Kennedy casts his vote as the debate continues to unfold and, more saliently, as the 1996 presidential election approaches, on future appointments to the court.



BILATERAL CHEERS — Anatoli Solovyev, a Russian astronaut, in hatch at left, being cheered by his trainer and crew members after driving an escape vehicle at Kennedy Space Center in Florida during space shuttle training. (AP Wirephoto)

Away From Politics

• A series of strong earthquakes shook Anchorage, Alaska, but caused only minor damage, officials said. The earthquake measured 5.7 on the Richter scale, said Alec Medberry of the Alaska Tsunami Warning Center in Palmer, and was followed by aftershocks that measured 4.5 and 4.1. (Reuters)

• The man who hijacked a 60-ton tank from a National Guard armory in San Diego and went on a car-crushing rampage had a blood-alcohol level three times the legal limit. Shawn Timothy

Nelson, a 35-year-old army veteran who had tank training in Germany, was shot and killed by the police after the tank got caught on a highway barrier. (AP)

• Taking a stand on one of medicine's most contentious ethical issues, an expert committee of the American Medical Association says it should be permissible to take organs from anencephalic babies while they are alive. Babies with anencephaly are born with a brain stem, which allows them to breathe and their hearts to beat, but they are missing the rest of the brain. (NYT)

POLITICAL NOTES

Clinton Backs Off 'Counterbudget'

WASHINGTON — President Bill Clinton has backed away from a weekend pledge to produce a "counterbudget" that eliminates the deficit within a decade.

In an abbreviated news conference called to explain his latest budget bargaining position, Mr. Clinton said that Republicans propose, would require "massive tax increases or massive budget cuts" that would hurt Americans. Instead, he said: "All Americans should be committed to bringing our budget into balance within a reasonable amount of time that we all can determine."

Mr. Clinton sidestepped questions Tuesday about whether he was still committed to the time frame he outlined in a weekend radio interview with four New Hampshire reporters, when he said: "I think it clearly can be done in less than 10 years. I think we can get there by a date certain."

Senate Republican leaders had hammered the president for touting a "secret plan" to balance the budget while criticizing Republicans for doing the politically unpopular things that are essential to achieve that goal.

Bob Dole of Kansas, the leader of the Senate's majority Republicans, said "it seems to me it's a little late" for Mr. Clinton to be promising a plan of his own "after all his efforts to scare senior citizens, to scare families" in an effort to undermine the Republican's plan. (WP)

Commerce Department: 'It's Dead'

WASHINGTON — Congressional Republicans have issued a blueprint for dismantling the Commerce Department, saying they would eliminate six major programs, scatter the remainder across the government and save nearly \$8 billion over five years.

"The Commerce Department is history. Put a fork in it," said John Kasich of Ohio, chairman of the House Budget Committee. "It's dead."

House Republicans have pledged to eliminate four cabinet departments. Commerce is the first target, and the House task force seeking to kill the department plans to introduce its legislation within a week, aides said.

The Republicans' proposal would break up the National Oceanic and Atmospheric Administration, which makes up more than 40 percent of Commerce's \$4.2 billion budget, and terminate the Economic Development Administration, the Travel and Tourism Administration and the Minority Business Development Agency.

Commerce Secretary Ronald H. Brown called the proposal "ill-conceived and dangerous to America's economic growth and competitiveness." Commerce officials said that they were skeptical about the cost savings claimed by Republicans and that they feared the proposed agency consolidations might blur or undercut programs promoting trade exports.

But the Republicans said the government was too big and that cutting bureaucracy would help balance the budget by 2002 and provide Americans with tax relief. The announcement about the Commerce Department won endorsements from Mr. Kasich and another top House Republican leader, Gerald B.H. Solomon of New York, the chairman of the Rules Committee, and from Mr. Dole in the Senate.

Robert A. Mosbacher, a Bush administration commerce secretary, endorsed the House plan, saying the department's mission to enhance economic opportunity for Americans had been "diluted by more than a hundred programs and shared authorities with 71 other federal agencies." (WP)

Clinton Opposes Arms Sale 'Code'

WASHINGTON — The Clinton administration has declared that it opposes a "code of conduct" drafted by some members of Congress to block U.S. arms sales to countries that commit human rights abuses or are not democratic.

At a Senate hearing, Undersecretary of State Lynn Davis criticized the proposed code on grounds that its rigid criteria for arms sales would impinge on the administration's authority to decide foreign policy and could force a cutoff of military aid to friendly nations in regions important to U.S. interests.

The proposed code states that U.S. military assistance and arms transfers should be provided only to nations with governments chosen by free elections that protect basic freedoms and are not engaged in "gross violations of internationally recognized human rights."

(WP)

Quote / Unquote

Senator Dale Bumpers, Democrat of Arkansas, on the tax-cut plan proposed by Senator Phil Gramm, Republican of Texas, that was defeated: "I heard all of this in 1981, three and a half million dollars ago, how you can cut taxes and balance the budget."

(NYT)

Era Ends as Kennedys Sell Florida Oceanfront Home

New York Times Service
PALM BEACH, Florida — The Kennedy days in Palm Beach have quietly ended with the sale of the oceanfront property that Joseph P. Kennedy Sr. bought in 1933 as a vacation spot and that later became his son's winter White House and eventually a symbol of the family's troubles.

The house will become an historic landmark under an unusual deal struck by the Kennedys, the Palm Beach Town Council and John K. Castle, the New York banker who bought the house and its furnishings. The asking price was \$7 million, although none of the par-

ties would say Tuesday what Mr. Castle and his wife, Marianne, paid. Official records were not yet available.

For the Kennedys, it was simply time to let go. With the death of Rose Kennedy this year, the house seemed more a part of history than a practical gathering place for a family that had grown large over three generations.

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ASIA

Despite Pique, China Plans Taiwan Talks

U.S., Not Taipei, Is Criticized

Compiled by Our Staff From Dispatches

TAIPEI — Negotiators from Taiwan and China will meet as scheduled this week despite Beijing's fury over a planned U.S. trip by Taiwan's president, Lee Teng-hui, Taiwan officials said Wednesday.

China's body for negotiations with Taiwan, the Association for Relations Across the Taiwan Straits, has told the Straits Exchange Foundation that its secretary-general, Tang Shuei, will arrive in Taipei on Friday, a foundation official said.

Mr. Tang will meet his counterpart, Chien Jen-ho, in negotiations aimed at laying the groundwork for a second round of the highest-level meetings so far between the two rivals, expected in July.

The Chinese press ran denunciations Wednesday of the White House's decision to allow a private visit by Taiwan's president, Lee Teng-hui, a move that overthrew a 16-year-old U.S. policy of barring trips by leaders of Taiwan, China's Taiwan a renegade province.

But none of the attacks went beyond the line set down Tuesday by Foreign Minister Qian Qichen, who took aim at the United States rather than Taiwan. He warned Washington

that the move would cause "severe damage" to U.S.-China ties.

Diplomats in Taipei and Beijing said that China, despite its anger, was unlikely to sever delicately woven ties with Taiwan.

In Taiwan, however, there may be recriminations because of a widespread perception that Beijing used its influence Tuesday to scuttle a Taiwanese city's bid to be the site of the 2002 Asian Games.

Taiwan's top policy-making body on China, the Mainland Affairs Council, said it would protest China's alleged use of pressure to end the bid at a vote in Seoul, state radio reported.

Also Wednesday, a senior Taiwanese official said that although Mr. Lee is visiting the United States in June for a reunion at Cornell University, the president could still see members of Congress who supported his request for a visa.

(Reuters, AFP)

■ General's Trip Cut Short

The commander of China's air force has cut short a visit to the United States to protest President Clinton's decision to allow Mr. Lee's visit, The New York Times reported from Washington.



Mr. Hubbard, left, answering questions after meeting with South Korean and Japanese diplomats in Kuala Lumpur. (David Loh/Reuters)

U.S.-North Korea Talks Go Nowhere

Compiled by Our Staff From Dispatches

KUALA LUMPUR — The United States and North Korea remained deadlocked Wednesday after four days of talks on the North's nuclear industry, with Pyongyang continuing to reject South Korean reactors, the chief U.S. negotiator said.

"I have no progress to report," said the negotiator, Thomas Hubbard, the deputy assistant secretary of state for East Asia and the Pacific. "There has been no significant progress in regard to our differences, none whatsoever."

The United States is trying to persuade the North to accept light-water reactors from the South as part of an accord signed in Geneva last October aimed at halting the North's nuclear-weapons program.

Mr. Hubbard said that a lunch with his North Korean negotiating partner, Deputy Foreign Minister Kim Kyu Gwan, was the only meeting between the two sides Wednesday.

"We had a long in-depth discussion of the issues over lunch," Mr. Hubbard said. "We remain in a situation of discussing our respective positions and we have not yet reached any conclusions."

"We expect to resume our talks in Kuala Lumpur, but we are yet to have a precise schedule," he added before briefing South Korean and Japanese diplomats in the Malaysian capital. He had little to say after meeting with them.

"We always brief the Japanese and South Koreans to maintain our cooperation with them," he said.

North Korea has refused to accept the

South's reactors, saying Seoul's safety standards are suspect. It has said that it would take reactors made in the United States. Talks broke down last month in Berlin over the issue.

The CFE accord called for the North to get two light-water reactors worth an \$4.5 billion in exchange for dismantling its old graphite reactors and other facilities that Washington contended were devoted to making nuclear bombs. The new reactors would produce less weapons-grade plutonium.

In line with the agreement, North Korea shut down its nuclear reactors and has promised to dismantle them. It also has received supplies of fuel oil and has been promised eventual diplomatic recognition by the United States.

(AFP, Reuters)

Sect Planned to Drop Gas On Tokyo, Police Report

Agence France-Presse

TOKYO — The chief chemist for Aum Shinrikyo has admitted that the sect produced Sarin gas to be dropped over Tokyo using 12 remote-control helicopters. Japanese newspapers on Wednesday quoted police sources as saying.

The sect was planning an attack on the capital in November and had 240 kilograms (530 pounds) of the nerve gas ready for release by the model helicopters, the Tokyo Shimbun said.

Only 10 kilograms of the deadly gas was used in the March 20 attack on the Tokyo subway, which killed 12 people and injured 5,500.

The police said when initiating its investigation into Aum Shinrikyo that its members had bought two small remote-control helicopters claiming they were needed for aerial distribution of fertilizer and insecticide.

The helicopters were never found during the numerous searches of the sect's facilities.

The police found several references in seized notebooks, however, to a "war on Japan" in November.

Aum's chief chemist, Masami Tsuchiya, 30, who was arrested for murder and attempted murder, told the police that Sarin was first made in November 1993 at Aum's main commune at Kamikushiki, Kyoto, news agency said.

He made the gas four more times, the last just before the March 20 attack, when 30 kilograms were produced. Some was used in the subway attack.

He was reported to have used a makeshift laboratory that was dismantled after the attack and not the major chemical installation at the commune, because it was prone to leakages.

INTERNATIONAL CLASSIFIED

ANNOUNCEMENTS

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1995 COMPETITIVE EXAMINATION
FOR ENGLISH EDITORS

A competitive examination for the recruitment of English editors will be held on 26 and 27 July 1995 in New York, Geneva, London, Vienna & other locations according to the number & location of posts available. The examination will be conducted in English.

The purpose of the examination is to establish a pool of candidates from whom vacancies for English editors at United Nations Headquarters in New York & other duty stations in Africa, Asia, and Latin America will be filled.

Applicants must have English as their mother tongue, a perfect knowledge of English & a working knowledge of French & one of the other four official languages of the United Nations. Candidates must hold a degree or an equivalent qualification from a university or institution of advanced learning or an equivalent standard of education. They must have relevant experience in the publishing industry or perform functions equivalent thereto through knowledge of United Nations documentation or publications.

Candidates should obtain the application form for admission to the examination from the following address & return the completed form to the same address no later than June 1995.

Candidates residing in Europe: Secretary-General's Section, United Nations, New York, NY 10017 (USA) Tel: (212) 963-9000; Fax: (212) 963-9000.

All other candidates: Mrs. M. Hubbard, Recruitment & Employment Division, OHCHR (Competitive Examination for English Editors), Room 5050, United Nations Secretariat, Geneva, CH-1211 Geneva 10, Switzerland; Tel: (41) 22 907 0000.

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REAL ESTATE
INVESTMENTS

LOW COST FLIGHTS

WORLD AVIATION - SCHEDULED

INT'L MOVING

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EUROPE

Talks Fail to Resolve Italy's TV Dispute, Legislator Asserts

Compiled by Our Staff From Dispatches

ROME — Talks among political parties on averting a referendum that could strip Silvio Berlusconi of two of his three television stations have failed, representatives of leftist parties said Wednesday.

"The right wing has rejected all solutions," said a leftist legislator, Fabio Mussi, referring to supporters of the media tycoon. "The talks are over."

Prime Minister Lamberto Dini had sought to break the bitter political deadlock over television ownership, which he feared could threaten support in Parliament for vital financial reforms.

Mr. Dini had offered a compromise proposal after talks on a deal to head off four referendums on broadcasting collapsed Tuesday.

If the new negotiations have also failed, as asserted by Mr. Mussi, Italians will vote June 11 in the referendums. The key test will decide whether Mr. Berlusconi, a former prime minister, must reduce his ownership of three private national television networks to one.

Mr. Dini's proposal would have allowed Mr. Berlusconi's conglomerate, Fininvest, and the public broadcasting system, RAI, to retain three networks each until mid-1997, pending a reform of ownership laws.

Government sources made it clear that Mr. Dini, whose stop-gap government is trying to bring order to state finances, believed that the bad blood gen-

erated by the stalemate could put his program at risk.

Mr. Dini, a former central banker, needs broad backing for a crucial draft law on reform of the state pension system, which was beginning its way through the Parliament on Wednesday, and for a 1996 budget he hopes to present next month.

Concern that the relative political peace that Mr. Dini requires would be shattered by the television battle, coupled with fears over inflation, depressed share volume on Wednesday and kept the lira weak against the Deutsche mark.

Dini is worried that if Berlusconi loses he will turn his anger on the pension reform plans and move to block them, said a dealer on the Milan bourse.

Negotiations on an accord to avert the June referendums first broke down on Tuesday after Mr. Berlusconi objected to a proposal from the formerly Communist Democratic Party of the Left, the federalist Northern League and smaller center-left parties. Their plan called for RAI and Fininvest to drop one channel each by August 1996 and another by 1998.

Under Mr. Dini's proposed compromise, RAI and Fininvest would have given up one channel each in 1997 and a second in 1998 unless technological developments, such as cable and satellite broadcasting, changed the situation.

(AP, Reuters)



The Associated Press
Emergency workers retrieving the bus that crashed near Bristol, England, killing 10 retirees on an outing. The accident brought calls for installation of seatbelts in buses.

In Britain, to I.D. or Not I.D.

Leader's Failure to Pick Option Seen as Delaying Tactic

Reuters

LONDON — Prime Minister John Major's government opened a national debate Wednesday on whether to introduce identity cards.

Britain has not had an identity card system since 1952, when a wartime provision for such checks was withdrawn.

Fearful of provoking new divisions in his chronically split Conservative Party, Mr. Major carefully avoided backing any of the options offered in the government's consultative paper.

Commentators said that Mr. Major's refusal to specify which option he preferred could signal the effective shelving of identity cards until after the next election, which Mr. Major must call before the end of May 1997.

Home Secretary Michael Howard, introducing the paper, said: "There are distinct advantages to identity cards. We need to test the arguments for those advantages against the arguments for their disadvantages."

The proposal is subject to a four-month

consultation process, and Mr. Howard said he had "no intention of preempting this genuine consultation exercise."

Opinion polls show that most people — up to 75 percent in one survey — support the idea. Mr. Howard and Mr. Major have backed the use of identity cards as a way to cut crime.

But hard-line Conservatives, opposed to what they see as a creeping loss of power to the European Union and a softening of border controls, are strongly opposed.

"We have made our determination to maintain frontier controls absolutely clear," Mr. Howard said at a news conference. "This has nothing to do with those questions."

The government paper laid out options that could be voluntary or compulsory. Cards could be based on new British drivers' licenses that will include a photograph and will be introduced next year, or there could be a multifunction government card, incorporating travel papers, driving license and social security health system card.

Major Is Facing a New Defeat in Scotland

Reuters

EDINBURGH — Scottish voters are set to deal another blow to Prime Minister John Major by handing Scottish nationalists the traditionally Conservative seat of Perth and Kinross in a by-election Thursday.

Opinion polls show that Roseanna Cunningham of the Scottish National Party will win well over 50 percent of the vote in the wealthy constituency, held by Sir Nicholas Fairbairn for a quarter of a century until his death in February.

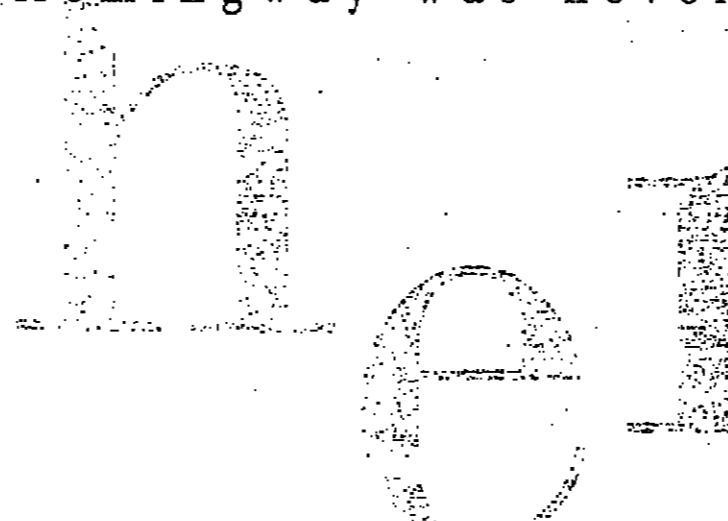
Losing Perth would cut Mr. Major's majority in the 65-seat Parliament to 11 and leave his party with only 10 of 72 Scottish parliamentary seats. The opposition Labor Party holds 49 and the Scottish nationalists hold 3.

A poll for The Scotsman newspaper found that Conservative support had plunged from 40 percent in the 1992 general election — when Ms. Cunningham lost to Sir Nicholas by 2,094 votes — to 14 percent. It gave the Scottish National Party 55 percent.

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ing a magazine from France to the Netherlands, for example, would rise 25 percent.

Part of the rationale for such a change would be to open postal services to private companies — allowing them to handle advertising mailers, for example. Postal authorities say if they lose that business, they would have to raise their letter rates.

Around Europe

Neither snow nor rain nor heat — but possibly high water — will stay Jutta Pudenz from the leisurely completion of her appointed rounds. Poling along the canal system in the Spreewald mountains southeast of Berlin, she is Germany's last mail carrier to use a flat-bottomed boat. Mrs. Pudenz, 42, delivers 1,300 letters to 78 homes.

But a proposal coming before the European Commission would change that. The French daily *Libération* reports. Favoring competition and transparency of prices over simplicity, it would base rates on actual costs to postal authorities — which are far more substantial in high-wage countries like Germany and the Netherlands than in Portugal or Greece.

Because those costs vary in each of the 15 member countries, the EU theoretically could end up with 225 (15 times 15) different rates for intracommunity mail.

Not only would this produce nightmarish confusion, but it would also place a heavy burden on magazine publishers. The cost of send-

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INTERNATIONAL

Ghanaians Grow Restive With Their Leader*New York Times Service*

ACCRA. Ghana — With a record of consistent growth, Ghana has been touted as one of Africa's economic successes. But prosperity has eluded most Ghanaians, and with the approach of elections scheduled for 1996 they appear to be growing increasingly impatient with President Jerry Rawlings and his 13-year rule.

Since late April, nurses, teachers and civil servants have demonstrated almost daily over the economic hardship caused by the introduction two months ago of a 17.5 percent value-added tax.

The tax is supposed to fall most heavily on purchasers of luxury goods, and food was exempted entirely. But merchants have used the tax as an excuse

to raise food prices by as much as 300 percent.

Protesting civil servants demanding a 70 percent pay increase shut down the Ministry of Finance this month. And, on May 11, five people were killed and 17 injured when a pro-government mob clashed with a crowd of about 10,000 marching on Accra's central market.

That protest marked the first time that the opposition parties, and not the unions, had organized a march. In its aftermath, people expressed shock not only at the violence, but also at the sheer numbers the opposition was able to mobilize.

Ghanaians have shown relatively little interest in other potentially volatile issues. When the government shut down the country's first independent radio station in December, only about 500 people turned out for a march to present a petition to Parliament.

When the minister of finance announced a 25 percent rise in gasoline prices in January, there was widespread grumbling but little more. But for many, the tax was the last straw.

"When we don't react to certain things people think we just never react," said Smart Chigabatia, executive secretary of the Ghana Civil Servants Association. "We are being gentle. We are using our intelligence. And now our intelligence is pointing us one way — we will sit down and be cheated every day."

The government is hoping to defuse the issue with legislation presented this month that lowers the tax to 15 percent and exempts retailers. But as Parliament spends the rest of the month debating the bill, the marches are continuing in Accra and spreading inland to Kumsasi.

The issue has galvanized the opposition, which had been struggling since the inception of constitutional rule in 1992. Coming together under the name Alliance for Change, a group of prominent opposition politicians has gleefully seized on the public's vague desire for anything different.

"President Rawlings has been built up in the international press as such a success for his implementation of IMF policies that when things like this happen, it's hard to explain," said Nana Akufo-Addo, a leader of the Alliance for Change. "The success has been very skin deep. We know there has been growing impoverishment of the people, and the demonstration was the first sign of that."

Undaunted by the violence, civil servants rallied a day later in front of the Ministry of Trade and Industry.

"We are protesting because we are hungry," said Kojo Dan, an accountant who was among the demonstrators. "We are not against the government. We are civil servants. We only need our salaries to be changed."

Nevertheless, in all recent demonstrations, marchers have carried signs calling for the president and minister of finance to step down.



Martin McGuinness, left, a negotiator for Sinn Fein, arriving at Stormont Castle in Belfast on Wednesday for peace talks with a Northern Ireland minister, Michael Ancram.



The daughter of a woman who died of the Ebola virus putting her clothes into a coffin outside the morgue in Kikwit.

Death Toll From Zaire's Ebola Virus Rises to 108*The Associated Press*

GENEVA. — The death toll from the outbreak of the Ebola virus in Zaire has increased to 108, the World Health Organization said Wednesday.

On Tuesday, in Northern Ireland, mean-while, the death toll from the affected region of Kikwit, in the west of the country, was 108, "slightly better" after showing Ebola-like symptoms after spending several days last

week in Kikwit, the center of the outbreak, Swiss authorities said.

An accurate diagnosis will take several more days, however, according to hospital authorities in the capital, Bern.

The new deaths from the virus, the first reported in four days, included the death Tuesday of an Italian nun who cared for patients in Zaire, and six previously undocumented victims who died as far back as January, the UN health agency said.

The total number of cases of the disease, which causes severe hemorrhaging, also has risen to 144, from 136, to take account of previously unrecorded cases, it said.

The disease has killed 75 percent of those infected.

The new cases were discovered by doctors who are systematically checking all deaths in the area over the past few months for Ebola symptoms.

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in the North and South had drawn considerable interest. They said that Northern Ireland's well-educated, skilled work force and its proximity to European markets were advantages.

"I hope it will not be allowed to actually get in the way of us talking to the people of America who can bring us investments in the future," said Lady Denton, minister for the economy of Northern Ireland.

President Clinton organized the White House Conference for Trade and Investment in Ireland to promote economic development in the region as the next phase of pursuing peace.

He said Tuesday that he was committed to pursuing negotiations among the long-warring parties in the North.

Mr. Clinton said that as long as Mr. Adams continued to renounce terrorism and as long as the opposing sides continued "on the path that they have set, including a willingness to talk about weapons decommissioning, then I think we are doing the right thing."

Baroness Jean Denton, said Tuesday that the meeting should not detract from the economic conference.

Businesses Size Up Northern Ireland**U.S. Gathering Is Aimed at Pushing Along Peace Process***The Associated Press*

WASHINGTON. — Hundreds of business leaders and political officials gathered here Wednesday to trade ideas on reviving Northern Ireland's economy, and the leader of Sinn Fein said he hoped to see real progress in the peace process this week as well.

But British officials played down that prospect, instead emphasizing economic themes.

The Sinn Fein leader, Gerry Adams, and officials from Britain and the Irish Republic were in Washington to meet with U.S. business executives in an economic conference sponsored by President Bill Clinton.

The conference was expected to draw up to 800 participants. It has been billed as a chance for U.S. companies to size up investment opportunities in Northern Ireland and the six border counties of the Irish Republic.

American officials said prospects for tourism, manufacturing and information technology

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EUROPE

Kremlin's Demand to NATO
Moscow Steps Up Dissent on Expansion Plan

Reuters

MOSCOW — A senior Kremlin official said Wednesday that Russia wanted its objections to the expansion of the North Atlantic Treaty Organization written into any future cooperation documents it signs with the Western military alliance.

The official, Oleg Lobo, said, however, that Moscow remained committed in principle to signing follow-up cooperation documents to the NATO Partnership for Peace program it endorsed last year.

Moscow signed a framework agreement last June on joining the Partnership for Peace program, which provides for joint military training exercises and defense planning. But it stalled moves under the cooperation program December to protest NATO's plans to take in its former close allies in Eastern and Central Europe.

Since then, President Boris N. Yeltsin has agreed with Pres-

ident Bill Clinton to push ahead with the Partnership scheme.

Mr. Lobo, secretary of the policy-making Security Council, said that relations with NATO and European security had been among the main topics at a council session led by President Boris N. Yeltsin.

"In principle, the Security Council is in favor of signing," Mr. Lobo said, "but with our principled position on NATO enlargement somehow mentioned and perhaps they should be linked."

At first glance, this appeared unlikely to be acceptable to NATO, which is scheduled to discuss enlargement to include Russia's former East Bloc allies at a foreign ministers' meeting in the Netherlands on May 30 and 31.

In a further remark likely to complicate relations with NATO, Mr. Lobo said Russia wanted the Partnership for Peace program to be brought under the aegis of the Organiza-

tion for Security and Cooperation in Europe.

He said he did not rule out Russia's signing follow-up documents on May 31 if a formula could be agreed by then.

Foreign Minister Andrei V. Kozyrev is scheduled to be in the Netherlands at around that time, but it was not clear if he had planned to attend the NATO meeting.

Mr. Lobo indicated that Moscow did not expect any quick formulas that would calm Russia's fears over NATO expansion.

Russians Battle Chechen Rebels On Eve of Talks

Reuters

MOSCOW — Fierce fighting erupted between Russian troops and Chechen rebels in the northern suburbs of the capital, Grozny, on Wednesday, less than a day before the two sides were due to hold peace talks in the shattered city.

Chechen crack forces have now reached the northern suburbs and are pushing back Russian guards," Movladi Udugov, the chief Chechen spokesman, said by telephone.

A spokesman for the Russian Defense Ministry confirmed the report, saying: "Fierce fighting erupted today in the northern suburbs of Grozny."

Russian forces captured Grozny in late February after weeks of heavy fighting, but the rebels have mounted regular hit-and-run attacks ever since.

The Itar-Tass news agency quoted a European diplomat in Grozny as saying that the Organization for Security and Cooperation in Europe, which will mediate the talks, had concrete proposals for the two sides.

OF LOVE AND OTHER DEMONS

By Gabriel García Márquez.
Translated by Edith Grossman.
147 pages. \$21. Knopf

Reviewed by Jonathan Yardley

THE 13th of his books to be published in English translation — a fine one by Edith Grossman who has now done four of his books — finds Gabriel García Márquez in a minor key.

His mood is almost entirely melancholy and his manner is, by contrast with his characteristic ebullience, decidedly restrained. Thematically and stylistically, it could be the work of no other writer, but it is very much a miniature.

There is ample precedent for this within García Márquez's career. His reputation rests upon his three indisputable masterpieces — "One Hundred Years of Solitude," "The Autumn of the Patriarch" and "Love in the Time of Cholera."

— but sprinkled among these books are short stories and novellas that appear to have afforded him breathing space, permitting him to carry on his work but at a less demanding

level. Among these, perhaps the most notable are "Innocent Erendira," "In Evil Hour" and "Chronicle of a Death Foretold"; it is with these books that "Of Love and Other Demons" is probably ranked.

Its story, García Márquez tells us, is rooted in experience. While working as a journalist in 1949, the author was assigned to cover the demolition of a convent, a process that involved the emptying of its crypts. In one of these, "a stream of living hair the intense color of copper spilled out of the crypt." On the stone was written "Sierra María de Todos Los Angeles."

This brought to mind a story told to García Márquez by his grandfather "of a little twelve-year-old marquise with hair that trailed behind her like a bridal train, who had died of rabies caused by a dog bite and was venerated in the towns along the Caribbean coast for many miracles she had performed."

The story, García Márquez says, is what he remembered, all of it filtered through the most fertile literary imagination of our time. That having been said, it must be acknowledged that readers hoping to experience "magical realism" will be disappointed. Even though this novella is relatively brief, it is slow to take flight. Not until its final 20 or 30 pages does the story completely transport the reader into its author's distinctive world.

The "origin of this book" lies in what García Márquez saw and what he remembered, all of it filtered through the most fertile literary imagination of our time. That having been said, it must be acknowledged that readers hoping to experience "magical realism" will be disappointed. Even though this novella is relatively brief, it is slow to take flight. Not until its final 20 or 30 pages does the story completely transport the reader into its author's distinctive world.

This remarkable man, "one of those rare figures who adored the Christianity of his time," discovers that "something immense and irreparable had begun to occur in his life." It occurs to him that Sierra María "has been imposed on me by the Holy Spirit to test the strength of my faith," and he stoutly resists the demons she has unleashed.

Delaura says: "It is the demon, Father. The most terrible one of all." The demon is love, and when he confesses it to Sierra María herself, he tells her "that every moment was filled with thoughts of her, that everything he ate and drank tasted of her, that she was his life, always and everywhere, as only God had the right and power to be."

Here most certainly we are in the world of Gabriel García Márquez, where religious faith and human love collide in agony and passion. As will be recalled from "Love in the Time of Cholera," love arrives unannounced and unexpected and at times utterly improbably. Whatever the circumstances, it is a "terrible" demon against which there is no resistance. There's no resisting García Márquez, either, even in a minor key.

Jonathan Yardley is on the staff of The Washington Post.

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BRIDGE

By Alan Truscott

IN the diagramed deal, North and South were experienced players, but East-West had less than one year of bridge-playing between them.

North-South reached three no-trump from the correct South side: a player with a doubleton queen should aim to be declarer if his partner has Axx or Kxx. West naturally led the heart jack, which ran to South's queen. Now the contract was in jeopardy if West gained the lead, so South aimed to develop one of the minor suits by giving East the lead.

Although he went to extraordinary lengths to resolve the impasse, it was not until the Tories regained power under Margaret Thatcher in 1979 that it was settled by effectively installing a Marxist regime in the newly named Zimbabwe.

In the mid-1960s, when Mr. Smith unilaterally declared independence, Commonwealth Secretary Arthur Bottomley predicted the crisis would be over "within weeks." It lasted 15 years.

Despite their disagreements, Mr. Smith said Wednesday that he had never had any personal problems with Mr. Wilson.

Others remembered Mr. Wilson, a plump, scholarly pipe-smoker who never lost the broad accent of his native Yorkshire, for his courtesy and wit.

"His huge abilities and his humor won him respect and affection," said Neil Kinnock, the former Labor Party leader.

"His victories brought him the

ing the diamond ace followed by the ace and king of clubs. That would have saved him if East had held exactly three clubs, but as it was, the result was down two.

When it was over, North-South congratulated West on his brilliant defense. They were staggered by the response:

"Doesn't everybody play high-low to signal an even number?"

Diamonds was the best chance, so he led the two planning to finesse the nine. He was frustrated when West put up the ten, a brilliant second-hand move. Now South could not afford to duck, permitting the ominous heart continuation, so he won in dummy with the king. Continuing diamonds would now have given East the lead, but the dummy would have been entryless. South therefore tried his backup plan by cash-

NORTH
♦ 6
♦ K 7 6
♦ A K 6 4 3
♦ 10 9 8

WEST
♦ J 4 3 2
♦ J 10 3
♦ 10 7
♦ Q J 6 3

EAST
♦ 8 8 7
♦ A 9 5 4 2
♦ Q 18
♦ A 2

SOUTH (D)
♦ A K 10 5
♦ Q 8
♦ S 2
♦ A K 7 5 4

Both sides were vulnerable. The bidding:
South: West: North: East:
1 ♠ Pass 1 ♠ Pass
1 ♦ Pass 3 ♦ Pass
3 N.T. Pass Pass Pass
West led the heart jack.

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Foreign-Policy Trampling

The international affairs bills of the U.S. Senate and House of Representatives overshoot the mark by a mile so far as desirable reform is concerned. The two foreign relations committees do not just tinker with the boxes and do some tough cutting, which, if carefully done, would be justified. They appropriate too much policy-making power from the executive branch — by enforced reorganization, by unreasoned budget cuts, by excessive policy earmarks — and impose their own alternative design.

The Senate bill could be called Jesse Helms's revenge. The agencies of which he disapproves — foreign aid, information, arms control — are dismantled, and their functions are either extinguished or tucked into a State Department itself newly constituted by congressional dictate. Development assistance, for instance, is in effect ended. An instruction is issued to recognize Tibet. Humanitarian aid is denied to countries whose disasters are deemed "man-made." United Nations peacekeeping becomes a congressional toy.

Many who expected little from the chairman of the Senate Foreign Relations Committee expected something more from the moderate conservative chairman

of the House International Relations Committee, Benjamin Gilman. But his seances in the House leadership are said to be imposing a hard choice: Go with the flow or lose your chairmanship.

President Bill Clinton promises to reject any bill that tramples on presidential prerogatives in foreign policy, as House and Senate bills both plainly do. This contest between Congress and White House over executive prerogatives and congressional authority in the making of foreign policy has been going on for decades now, and unsurprisingly whichever party holds whichever branch of government makes the predictable case for an increase in that branch's say-so. But these bills really step well beyond the framework of that conventional debate. They present the executive with legislation it is all but obliged to fight. President Clinton says he hopes for a bill he won't have to veto. The House bill goes to a floor vote this week; party discipline is evidently to be enforced. The Senate measure is due to come to the floor after the Memorial Day recess. As in the House, some Republicans in the Senate see, with Nancy Kassebaum, "a risk in some ways of creating a hollow diplomacy." She's got it just right.

— THE WASHINGTON POST.

Faithful to the Constitution

With persuasive reasoning and a compelling vision of the national union, a majority of the U.S. Supreme Court has ruled that states may not limit the terms of the senators and representatives they send to Congress. The court stated with absolute clarity that the qualifications for the federal legislature were determined by the constitution alone and that individual states may not tamper with them. This means that voters must still limit terms of legislators the old-fashioned way, by voting them out of office. The sweeping decision was reached by a distressingly narrow 5-to-4 vote that only barely overcame the dissenting justices' parochial view of the federal system.

Justice Clarence Thomas, writing for the four dissenters, spun out 88 pages of unsuccessful searching for a states' rights principle the Founding Fathers never imagined. Justice John Paul Stevens, writing for the majority, found that the framers plainly intended that federal concerns, and federal eligibility standards, would govern the makeup of the national legislature.

Now, as the court made clear, only a federal constitutional amendment can impose term limits on members of Congress. Neither the states nor Congress itself has the power to do so. That leaves the term-limits movement fondering as it was two months ago when Republicans mustered only about half the House in support of a constitutional amendment, far short of the two-thirds needed.

Although term limits may be an issue in the 1996 elections, they remain a poor nostrum for the nation's political ailments, largely because they deny voters the opportunity to retain the services of experienced and capable legislators who have reached the end of their terms. The

— THE NEW YORK TIMES.

An Unwise Swipe at Science

The budget plan approved by the U.S. House of Representatives mounts an assault on scientific research, science training, and American research universities that are the envy of the world.

Blinded by ideological fury at government, House Republicans seek to abandon a crucial function of government, the provision of public goods like research that are undersupplied by private markets. Private companies will invest in research that is likely to raise their profit, but they are unwilling to invest in research whose benefits leak out to competitors. By abandoning government's irreplaceable role, the House budget would undermine America's technological base.

The magnitude of the House-passed cuts is shocking. Civilian research would fall over five years from about \$32 billion to \$25 billion, a 35 percent cut after accounting for inflation. Medical research, other than for AIDS, would be cut by more than 25 percent. Robert Walker, chairman of the House Science Committee, says the plan would protect basic science. He dissolves.

This budget would increase spending on research by the National Science Foundation. But the small increases would not keep pace with inflation, so the number of university-based scholars, graduate students and research projects that the foundation supports would steadily fall. Indeed the plan envisions wiping out support for social science research.

The House budget would continue to

support the space shuttle and space station, two costly hardware projects with constituencies in key electoral states, but it would provide little money for other aeronautical and space research. It would cut several energy research programs by between 35 percent and 80 percent and reduce research on high-speed rail and other transportation projects.

Not all the research that Washington pays for makes sense. But there is danger in indiscriminately chopping research and undermining a system that has for decades produced the best scientists and graduate programs in the world. The sectors in which America has led the world — from computers and software to agriculture and aircraft manufacturing — can trace their success to heavy federal support.

Mr. Walker could have performed a valuable service by carefully sifting through federal programs to weed out those that needlessly subsidize corporations for research and development projects that they would undertake for themselves. But heavy cutting just to reach a balanced budget quickly risks damaging important economic assets.

The party that preaches cost-benefit analysis for federal agencies ought to practice what it preaches. Cutting the science budget will save a few billion dollars a year in a \$6 trillion economy. Knocking out innovative research can lead to stagnant productivity and growth. By that calculation, the House plan is an irresponsible gamble.

— THE NEW YORK TIMES.



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A Dangerous Game Could Weaken America Abroad

By Jim Hoagland

WASHINGTON — The Republi- can-controlled Congress is playing a high-level game of chicken with the Democratic-controlled White House over foreign aid, presidential authority and America's role in the world. It would be thrilling politics if the stakes were not so high and the rest of the world were not watching and interpreting every move. This is getting to be a dangerous game that damages Ameri- can prestige and authority abroad.

House Republican leaders are pushing for legislation that will effectively shut down U.S. development aid to the world's poor in a few years. Teaming up with Senator Jesse Helms, the House Republicans also want to restrict President Bill Clinton's power to give aid to Russia, amid Mr. Clinton's latest Cuba refugee policy, force him to name an ambassador to China occupied Tibet and slash the number of embassies abroad.

These are not unworthy objectives. Mr. Clinton's Cuba and China policies are far from perfect. The threat on aid to Russia should help focus Boris Yeltsin's attention on denying nuclear weapons technology to Iran. Republican proposals to cut foreign aid by at least 15 percent next year have provoked a serious debate about the future of U.S. bureaucracies and programs made

obsolete by the end of the Cold War.

But the slash-and-burn methods of the House Republicans and Mr. Helms communicate to America and the world a deep disrespect for this president, and for the executive branch's historic foreign responsibilities and powers as well. The Republican majorities seem to give little importance to the reality that they are shearing away authority from Republican presidents to come. On June 15, when Mr. Clinton goes to Halifax, in the Canadian province of Nova Scotia, for the summit meeting of the Group of Seven industrial democracies, he will have the weakest hand to play of any American president since these meetings began 20 years ago.

To say that the Clintons have brought a great deal of this disrespect on themselves is to state the obvious. Small wonder the Republicans seize on China and Cuba, two Communist regimes where Clinton policy has been shaped by self-advertised expediency. The administration was at it again this week — caving to the most urgent recent pressure — by reversing itself on granting a visa to Pres- ident Lee Teng-hui of Taiwan.

After telling Congress that it would not let Mr. Lee visit the United States

because of pressure from Beijing, the State Department is now telling Beijing that it decided to give Mr. Lee a visa because of pressure from Congress.

This is what passes for statesmanship in Washington today.

It is hard to respect policymakers who do not seem to respect themselves. But the proposals the Republicans are pushing, without any serious consultation with the administration, will merely compound the weaknesses this White House has shown and project those weaknesses into future presidencies, locking America onto a glide path of international inertia in diplomacy.

As the 21st century begins, on current trends Germany will be spending 1.9 percent of its gross national product on defense while the United States will still be above 4 percent," a European ambas- sador to Washington observed recently.

To the other hand we in Europe will strive to give development aid at or near 1 percent of GNP while the United States contribution drops to insignificance. A division of labor is occurring, in which America will use troops to handle hard security and Europe and Japan will handle soft security and preventive diplomacy. Is this what we want?

If such a division of labor occurred, "it would be both unconscious and un- wise," Secretary of State Warren Christo-

pher said when I put the question to him. It would leave the United States with the choice of intervening militarily or doing nothing in the event of crisis abroad. Mr. Christopher added.

Letting Japan and Europe dominate infrastructure aid to poor countries with little input from the United States would give the other industrial democracies considerable advantages in trade and investment flows, adds Brian Atwood, administrator of the Agency for Interna- tional Development. In his spirited rearguard action to save AID, Mr. Atwood has emphasized the essential role of development aid, as opposed to military or humanitarian help, in transforming poor economies into marketplaces viable for American trade and investment.

Republican moderates have remained silent as Mr. Helms and his House acolytes have loaded this session's foreign affairs legislation with features certain to provoke a Clinton veto. The veto, if sustained, would rescue the Republicans from the full impact of their assault on the presidency.

Maybe the moderates are banking on both sides swerving at the last minute. But they run an enormous risk. A Wash- ington stalemate on America's role in the world would be a disaster in today's fluid international environment.

The Washington Post

This New U.S. Attempt to Remake Japan Is Doomed to Backfire

By William Pfaff

PARIS — In 1917 a Japanese cruiser and three destroyer divisions entered the Mediterranean in response to a call by Britain, its ally since 1902, for Japan's help in the war against German U-boats. For the first time in history, Far Eastern naval power was projected into Western waters. It was a step in Japan's troubled effort to attain an equally "Open Door" to China for all foreign powers.

The United States then pressed Britain to end its alliance with Japan, and at the beginning of the 1920s demanded limits on Japan's naval power, on invidious terms that would hold Japan to three vessels for every five in the British or U.S. fleets. The Japanese found themselves isolated at the Washington naval conference of 1921-22, and had effectively to acknowledge the United States as the West's equal.

This effort continues today, still incompletely achieved despite Japan's phenomenal military and economic accomplishments. It has been an effort persistently resisted by the United States — with tragic consequences for both countries in the 1940s.

Mickey Kantor and President Bill Clinton's brutal and probably illegal trade sanctions against Japanese luxury car exports follow upon a long history of tension, rivalry and mutual misapprehension between Americans and Japanese. They reveal a profound and culpable ignorance of that history.

The difficulties between Japan and the United States started with an equally brutal trade offensive, that of Commodore Matthew Perry's first mission to the so-called hermit kingdom of Japan in 1853, demanding in the name of President Millard Fillmore, and with a threat of military attack if Japan refused, that the Japanese open their markets to foreign goods.

When Commodore Perry returned the next year, two ports were opened to American trade and consular representation. The ruling shogunate's advisers had proposed compliance with the Western barbarians' demands until "by learning the secrets of the West" Japan would be able to deal with the West "on terms of equality." The pattern was set.

Japan was initially accorded equal status with the Western allies at the Versailles negotiations following World War I. However Woodrow Wilson, who dominated that conference, displayed implacable and moralizing hostility to Japan's claim to be awarded Germany's Pacific possessions, and he joined the Europeans in refusing to incorporate the Versailles treaty a declaration against racial discrimination sought by Japan.

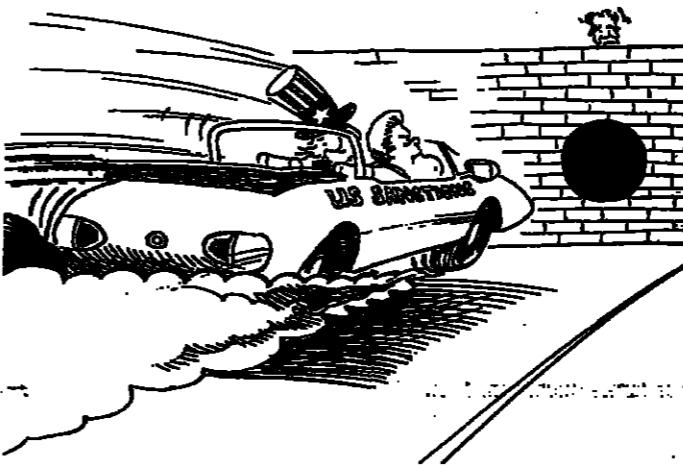
Tokyo subsequently pursued those "special interests" in China, particularly in that part to which her possessions were contiguous (meaning Manchuria, since Korea was then Japan's colony), which

drawn from the League of Nations in 1933, all of this producing nationalist and militarist outrage in Japan and the breakdown of liberal and parliamentary government. We know how this all ended.

Such is the history that deserves reflection in the White House, U.S. Commerce Department and Trade Representative's offices, because it is a history being repeated today, out of exactly the same self-righteous ignorance on both sides.

The peculiar characteristics of

By REST in South China Morning Post (Hong Kong). CAV Specials


Disturbing Realities Behind the Success of a Cult

By Reiko Hatsumi

TOKYO — Now that Shoko Asahara and his disciples in the Aum Shinrikyo religious sect have been apprehended, one might think that most Japanese would feel immense relief.

But the incident will have enduring repercussions. It brought to the surface many of the unsolved crises that, we have long known, undermine our society's patina of blissful productivity.

Aside from a genius to spot human weaknesses and desires, Mr. Asahara is a mundane cult leader with an inordinate passion for money and power. The most disturbing thought is that people who appeared sane and well-educated were drawn with such blind devotion to something so false, contradictory and violent.

When life is hard we have little time for brooding and mischief. We may aspire to wealth, not knowing that it can bring boredom and that our children, in an environment of affluence, may grow up demanding and immature. Just as children can be cruel — because they lack the experience and imagination to under-

stand the suffering of others — at least for many — the human race appears disenchanted, without ideals or even cynicism. For some, the only outlet is to destroy.

I am reminded of an experiment an American psychologist told me about. Many birds were gathered on an island and given plenty of food.

"You would think they lived happily thereafter, wouldn't you?" he asked, and I agreed. "No such thing," he said. "The birds turned belligerent, pecking at each other and robbing eggs — not to eat, but just to do."

When life is hard we have little time for brooding and mischief. We may aspire to wealth, not knowing that it can bring boredom and that our children, in an environment of affluence, may grow up demanding and immature. Just as children can be cruel — because they lack the experience and imagination to under-

stand the suffering of others — at least for many — the human race appears disenchanted, without ideals or even cynicism. For some, the only outlet is to destroy.

I used to teach English conversation and my students faithfully memorized set speech patterns. So long as I asked questions directly from the study list, they answered with lightning speed. But if I used even one new word, dead silence reigned. In desperation I resigned from teaching.

By being childlike we also demand emotional security — a guiding hand.

Unfortunately we no longer have a family system. Fathers have abdicated their position as

head of the family. They are too busy working late and commuting. The mothers spur their children to get into good schools so that they can get into good companies and attain better positions than those of their fathers.

The children don't have much to look forward to, except a struggle to get ahead in a crowded, competitive society.

So when someone such as Mr. Asahara comes along and takes time to listen and to give advice that seems to resolve dilemmas and solve problems, the young hand over their hearts and follow.

Japan lacks something else most cultures have: established religions that have stood the test of time and offer a moral standard. Shinto has no code of ethics or dogma. Buddhism here has degenerated into a set of rites with which we are buried. Christianity flowered briefly in the Middle Ages but was ruthlessly suppressed. In this spiritual vacuum any new religion can creep in and find nourishment.

Looked at in this light it's a pity that Mr. Asahara is what he is.

For if he were a true teacher instead of a charlatan, he could have used his gift for attracting people and money to build a haven of peace and good will somewhere in Japan's green hills, a utopia for those who need emotional help and spiritual guidance — of whom there seem to be so many nowadays, everywhere.

The writer, author of "Rain and the Feast of the Stars," contributed this view to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO
1895: Martyrs of 1870

PARIS —

OPINION/LETTERS

Newt's Thoughts: In for the Long Haul

By E. J. Dionne Jr.

The following was handed to me by a source called Deep Wave. It purports to be a fragment from House Speaker Newt Gingrich's diary. I cannot vouch for its authenticity, but do believe it accurately reflects his thinking.

Dear Diary,

So they all think I'm running for president. The journalists love it because they know that Dole, Gramm and the rest will put them to sleep. I know the real bias of the press isn't liberal (though I love to say so). What the press wants is an interesting fight, which I am extraordinarily well equipped

So that's the ticket:
Keep them thinking I'm
running in 1996, but
stay out of it.

to give them. And a lot of Republicans — Jack Kemp, Bill Bennett, C-SPAN viewers — think I should run because this is a weak field.

Well, of course, I'd be an extraordinarily better candidate than these guys. I mean, they are by orders of magnitude below the level of understanding or strategy we need to beat Clinton. I'm a revolutionary; they're reactionaries. I guess I couldn't use that line in the primaries, but it's true. Dole, no matter what he says, is still the tax collector for the welfare state, and his speeches sound as if they were written by a clerk of the Senate asked to describe tomorrow's legislative day.

And Phil Gramm? If Gramm were a Democrat, what I could do with that story about the soft porn film investment! I mean, it's "Woody Allen values" all over again. Or how about: "Normal Americans don't invest in porn." Phil is O.K., on economics — he really believes the free-market stuff, even for dirty movies. But the values crowd doesn't trust him. It's extraordinarily stupid that Phil of all people has to go even further right just to reassure these folks. Am I the only Republican who knows that you can savage bureaucrats, call for school prayer and praise FDR, Martin Luther King Jr. and tolerance at the same time? When they call you inconsistent, your friends say you're complex, deep, visionary. (Well, I am a transformational figure, right?)

This field is extraordinarily weak; that Pat Buchanan is going to surprise people. He's the only one who understands the appeal of nationalism. Yeah, he's doing it wrong with the protectionism stuff — our business guys hate that. My formulation is better. "We want to

communicate a vision of an America which is the decisive economic power on the planet, which is the most competitive nation, which is capable of leading the human race and which has re-established here at home a culture that works." That way, you get all the nationalist votes, all the cultural conservative votes, but don't offend the entrepreneurs, the CEOs. They hear the free market stuff and ignore the cultural stuff. Smart guys, I mean, are these other Republicans as incredibly dumb as they look?

So, yeah, I'm extraordinarily hot now and the other guys, very frankly, are behind the wave. This is truly the most extraordinary opportunity in generations to force the level of change the country needs to move into the 21st century. (Nobody knows what I mean when I say that, but they love it.) I'm also the only guy who can pacify all the wings of the party. The left helps me all the time by saying I'm so mean. If some of these right-wingers believe I'm mean, they'll let me say anything I need to say to win. It worked for Nixon, didn't it? I can praise old FDR as much as I want; the right figures know I don't really mean it.

By the fall, people will be sick to death of these other Republicans. Dole and Gramm will have torn each other to pieces. The moderate Republicans will kill Dole on the tax cut. In the meantime, I can get the House Republicans to do anything I say. I'll be politely waiting for the Senate and making nice noises about how poor Bob Dole has a tough time over there. Pity is the best way to undercut somebody's claim to leadership. Then I jump in as the savior.

The reporters like that scenario, but the reporters have never understood that I'm playing an extraordinarily long game. My best scenario is to have Dole get the nomination, not get Colin Powell as a running mate, and have Clinton beat him narrowly. If the election is close enough, we can keep the House and I'll still be speaker. With Clinton in the White House, we'd gain big-time in the 1998 midterms. Newt for the New Millennium! And as somebody told me recently, the best thing for me would be a weak Democratic president — Clinton as Franklin Pierce or James Buchanan. Then the country would be ready for all the big changes I have in mind. Remember, after Pierce and Buchanan came Lincoln.

Besides, if I ran this time, think of all the remarkably grotesque stories the press would

Delicate Mideast Talks in a New York Taxi Cab

By Sarah Shapiro

JERUSALEM — The American Automobile Association guy who showed up a few weeks ago at Los Angeles International Airport to jump-start my mother's stalled car turned out to be from Iran. I had just arrived on an El Al flight from Israel, where generally

MEANWHILE

speaking, you don't make friendly conversation with Iranians.

"Oh, you're from Iran?" my sister inquired cheerily, as if greeting a long-lost relative. She had flown down from Oakland and had come with an Iraqi businessman's wife on a downtown bus. And around the corner from my hotel on 51st Street, there was the counterwoman at the local delicatessen: At 5:45 A.M. on my first day in the city, he noticed me waiting outside on the sidewalk. "You wake early?" he asked as he unlocked his door. "I'm not on New York time yet."

He asked where I was from and I told him. "Ah!" he said. "I am from Jordan. Shalom!"

I squirmed. Didn't she realize that the man jump-starting our car was in all likelihood a believer in the doctrine of jihad by which it is Muslims' religious duty to remove the infidels occupying sacred Islamic soil? The Iranian, however, nodded cordially. "Shalom," he greeted me, with what I think was a hint of amusement at my sister's ever-so-American innocence and goodwill. His eyes met mine in mutual relief: Here in Los Angeles,

we don't have to hate each other. "Shalom," I said, amazed.

During my 10 days of vacation, there were other encounters the likes of which I am not privileged to enjoy back in the Middle East. In America the Beautiful, Jew and Arab can be next-door neighbors meeting far from home. There was a conversation in New York with a Lebanese dress shop owner on Second Avenue and another with an Iraqi businessman's wife on a downtown bus. And around the corner from my hotel on 51st Street, there was the counterwoman at the local delicatessen: At 5:45 A.M. on my first day in the city, he noticed me waiting outside on the sidewalk. "You wake early?" he asked as he unlocked his door. "I'm not on New York time yet."

He asked where I was from and I told him. "Ah!" he said. "I am from Jordan. Shalom!"

Again that sense of uncanny camaraderie. Every morning that week, he opened up for me while it was still dark and graciously served me coffee and The New York Times. It was almost as if we were the cousins that in truth we are.

It became self-evident that I longed for this friendly banter, which

seemed with ease to dispel 2,000 years of murderous antipathy. On my way to the airport to return to Israel, the taxi driver's dashboard identification plate was unambiguous.

"Nasser?" I asked him, thinking dimly of the Suez Canal in 1956, the invasion in 1967, the Yom Kippur War in 1973. "That's an interesting name. Are you from the Middle East?"

He adjusted the rear-view mirror to get me in view. "Egypt."

"Oh! I'm from Israel!" I exclaimed lightheartedly. Two weeks in America and I was already sounding like my sister from Oakland. "We're enemies!"

His eyes in the mirror moved darily behind his tinted glasses. Perhaps he didn't think that was funny.

But thank goodness, he smiled slightly and through 10 miles of heavy traffic we shot the breeze about falafel, the Pyramids, Anwar Sadat. Then I popped the question. "So what do you think of the peace process now? You think we'll have peace?"

He lifted one hand off the steering wheel, palm up, toward the ceiling of his yellow cab and the smoggy New York sky — in that same wordless gesture of surrender to God's omnipotence that Israelis use. I nodded in agreement. We share one God, Mr. Nasser and I, that's for sure.

Then he said, "There will be peace only when Arafat possesses Jerusalem."

"What?" There in his back seat I felt the adrenaline soar instantly. "What do you mean, when Arafat possesses Jerusalem? Arafat's not going to get Jerusalem, ever. He will never get Jerusalem."

He was eyeing me in the mirror. "You ask me when there will be peace and I tell you. When the Muslim world again controls Jeru."

"You will never get Jerusalem. Jerusalem is ours forever." I heard my voice rising. "I promise you, 100 percent, have no question about it, forever. With all your thousands upon thousands of miles of land, all those incredibly huge countries of yours, and our ridiculously tiny country! Jerusalem is the one corner in the world you will not take away from us! Ever! That's a promise! I promise you!"

Another example of open communication that one wouldn't wisely indulge in, back in our own backyard.

We were soon pulling up to the El Al terminal for my flight to the Holy City. Mr. Nasser helped me with my bags, wished me a safe and pleasant journey and we bid each other farewell, his cab vanishing in traffic to the Long Island Expressway.

Ms. Shapiro is a writer based in Jerusalem. She contributed this comment to the Los Angeles Times.

LETTERS TO THE EDITOR

A Senator and the UN

Regarding "Helms Seeks Cut in Financing UN" (May 8):

Unfortunately, Senator Jesse Helms does not appear to understand the United Nations system or the indispensability of foreign aid for achieving certain U.S. foreign policy aims, both economic and political.

He insists on reducing funds to important UN organizations where funding is voluntary, such as the UN Development Program and the UN Population Fund. This is easy. Fortunately, he does not mention cutting budgets of organizations such as the Food and Agriculture Organization where the percentage of U.S. funding is compulsory. The work of the FAO secretariat is, however, dependent on technical assistance for agriculture that is mostly funded by UN Development Program.

U.S. funding for Unicef is not to be reduced. The Development Program, the Population Fund and Unicef, however, share the same goals: For example, they are cooperating in implementing the action plan for population, the

world's most crucial concern. Unicef has done outstanding work, but so have many of the other organizations.

United Nations organizations are above all information centers and forums essential in an increasingly international world, and of benefit to all countries, including developed nations.

MARGARET BISWAS,
Oxford, England.

The Size of a Library

Regarding "Paris Gets a Large Eyesore for Lots and Lots of Books" (Meanwhile, April 26) by Amy Schwartz:

The writer says that the Bibliothèque de France is ugly, accusing it of "giantism" and in the same breath claiming that doubling the thickness of the glass "reduces the library's capacity." Does she really believe that double glazing makes a difference to interior volume in a building of this size, or is she just jealous that no other city can boast of a similar building and using any argument at all to belittle the finest library in the world?

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11 Months Old, and Just Wed India Debates Tradition of Child Marriage

By John Ward Anderson
Washington Post Service

BALI, INDIA — Sumitra Jogi cried at her wedding, but not for the usual reasons. Dressed in a pink sari, the bride—an 11-month-old who is still breast-feeding—was married to a 6-year-old boy in this remote desert village.

As Sumitra's father smiled approvingly, the baby's mother recited her daughter's vows while cradling the sleepy infant in her arms. Then the groom, bedecked in a red and gold turban, clasped Sumitra's hand and, with her mother carrying her, led his bride three and a half times around a sacred fire, their first steps together as husband and wife.

Government officials and social-welfare groups estimate that hundreds and possibly thousands of such illegal child marriages were performed here and in the rest of Rajasthan State in western India on May 2, which Hindus deemed a particularly favorable date for matrimony.

Like many of those children, Sumitra was married in a joint ceremony: she and her 12- and

16-year-old sisters were wed to three brothers, aged 6, 14 and 17, from a nearby village.

"In rural Rajasthan, all the girls are married by age 14," said Ratanakatyayani, a lawyer who directs a social welfare group called the Mukti Dhara Sansthan. "These are poor, illiterate families, and they don't want to keep their girls past their first menstrual cycle."

Experts say that child marriages are on the decline in most urban areas, where families are more affluent and laws prohibiting weddings of children under 18 are easier to enforce. But in rural communities, child marriages are still common.

Families cite social and economic reasons. The younger the bride, the smaller the dowry demanded, they say. They also like the security of marrying off a daughter to a suitable husband early in life.

According to the most recent government statistics, the mean age of a bride in Rajasthan is 16, and about 18 percent of girls 10 to 14 are married. In some rural districts, however, as many as half the girls in that age group are married, according to a 1991 study by the state's De-

partment of Women and Child Development.

There is intense disagreement among social workers over whether child marriages are a serious problem or simply a misunderstood cultural phenomenon.

Some say child marriages have a debilitating impact on young people, particularly girls thrust into early motherhood. And even though many of the young couples do not live together until age 16 or 17, they often are pulled out of school immediately after marriage and put to work full time, stunting their potential and depriving them of any control they may have had over their lives.

And some experts say that the government, in outlawing a centuries-old tradition, is being shortsighted. These critics prefer programs that attack what they see as the underlying causes of child marriage: poverty and illiteracy, which is as high as 95 percent among women in rural Rajasthan, according to some estimates.

"There is no child marriage in the urban areas or where there has been upward economic mobility," said Sharda Jain, an official of Sadan Research Center, an organization in Jaipur, the Rajasthan capital, that specializes in education issues.

"The moment people are well off, they don't marry off their children."

The debate among social workers and government officials does not seem to concern the people of Bali and other rural Rajasthani. Their concerns were more prosaic.

"At that point, an unarmed Secret Service officer fired and hit the suspect. The bullet hit Mr. Modjeski in the upper left arm, exited and hit the Secret Service officer in the arm," Mr. Noble said.

The incident occurred only four days after two blocks in front of the White House were closed to traffic to protect Mr. Clinton from car bombs.

Details of Mr. Modjeski's personal life and problems began to emerge Wednesday. Pizza Hut said he was fired as a delivery driver last December after nearly six months on the job. And suburban George Mason University said he received a master's degree in psychology in 1992 and had been admitted to the university's psychology doctorate program.

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Luxembourg L.Fr.	14,000	41	4,200
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Sir Leon Brittan laughing Wednesday at a snapshot taken by Ryutaro Hashimoto, right, the Japanese trade minister. (AP Wirephoto/The Associated Press)

OECD: U.S. Finds Japan and Europe Winning War of Words on Trade

Continued from Page 1

unilateralism. Mr. Brown, in fact, found himself on shaky ground Wednesday when asked how much Washington had satisfied itself that its own threat of sanctions against Japan was fully legal and compatible with the treaty that led to the formation of the World Trade Organization.

The commerce chief conceded there were doubts about the legality of the U.S. sanctions move. "Certainly there are mixed views," he said. "A judgment will have to be made on that."

That judgment could eventually come from the WTO, which is where the Japa-

nese government went with its protest last week.

Japan's efforts to counter the U.S. sanctions threat then unfolded across Europe as its officials lobbied for support. In Paris, during the OECD gathering this week, the Japanese set up one of the most elaborate lobbying operations in recent history, fanning out to persuade Europeans that Washington was all wrong.

Japan's secret weapon was its trade minister, Ryutaro Hashimoto, who buttonholed ministers here. In countless interviews and statements, Mr. Hashimoto laid down the conditions for resuming a dia-

logue with Washington, starting with a lifting of the threat of sanctions.

At the end of the OECD conference Japan had not won the trade dispute, but it had shown itself much better organized in stepping up to a world role than might have been imagined in the past. The European Union, busy preparing for a summit with Japan next month, also projected power through rhetoric.

And the United States, which campaigned for open markets and touted the fact that all governments agree with free trading, looked less convincing than it had in quite some time.

AFRICA: Pretoria's Retired Officers Seek New Wars

Continued from Page 1

vimbii, a client of South Africa and the United States. Their enemies at the time, in addition to the Angolan Army, were the 50,000 Cubans sent by Havana to bolster the forces of a communist ally.

But now, in addition to training Angolan government soldiers, military observers here said that in the last two years the recruits have moved into remote bases that were abandoned after the Cubans pulled out in 1991, upgrading communications and flying highly effective combat sorties.

"The line of what is a mere-

rary and what is not is a matter of interpretation, but they made an invaluable contribution to the operations of MPLA on the ground," said William Sims, a retired brigadier of the South African Defense Force, referring to the governing Popular Movement for the Liberation of Angola. "If UNITA had not signed the cease-fire one could easily conceive of them having been wiped out."

South African officials described Executive Outcomes as a dangerous outfit and conceded that it could destabilize the region. So far, however, the officials said current laws leave the government nearly powerless to crack down on such groups.

With its Angolan successes high on its résumé, Executive Outcomes has been aggressively marketing itself to other African countries with civil wars or other security problems.

Just last week, the company announced that it had signed a deal with the government of Sierra Leone to help its poorly organized army fight its civil war against a shadowy but increasingly effective rebel force known as the Revolutionary United Front.

Beyond Angola and Sierra Leone, Executive Outcomes has declined to specify the African countries in which it is involved. Experts in African military affairs said there were indications that the group has opened talks with the Sudan, Somalia, Mozambique and Malawi.

Officials of the company always declined to reveal the

terms of their agreements with African countries, or even how many men they employ.

They said that only Eben Barlow, its general manager who is a veteran of the Angolan conflict and a former officer in the South African intelligence service, was authorized to speak publicly about Executive Outcomes.

But Mr. Barlow, who is 38, would not return calls seeking comment. Assistants said he was out of the country this week and could not be reached.

In the past, Mr. Barlow has reacted angrily to suggestions that he is running a mercenary outfit.

"Where the security in a country is a problem, we assist," he recently told Reuters. "We assist in water purification, construction and medical services. White South Africans are the only ones prepared to make a difference."

People familiar with the operations of the company scoff at the notion that civil construction is a large part of its activities. Instead, they describe a business that takes little interest in the moral implications of its work and is willing to sign on with whoever can pay them.

Jackie Cilliers, director of the Institute for Defense Policy, in Johannesburg, said of the company: "While it may have actually contributed to a settlement in Angola, we may be witnessing the creation of something outside the control of government that could easily become a force for destabilization in Africa. It is guns for hire."

The sources said Judge Halligan had Mr. Péröl's office and home searched by the police.

Meanwhile, a court in the southern city of Nîmes jailed a Socialist senator, Claude Pradille, for five years on Wednesday for embezzlement, justice sources said.

Sir Leon delivered the warnings Wednesday morning to Japan on behalf of the 15-member organization at a meeting between French, German and Spanish officials and Japan's senior trade officials.

Japan welcomed the statement by the European Union, since it amounted to support for the Japanese position in their trade dispute.

Though there was little agreement that Japan's markets are not fully open to foreign competition, almost every member of the OECD, an organization of the world's 25 richest countries, was visibly upset over American plans to take unilateral action against Japan and not let the entire matter rest with the WTO.

U.S. officials argued that after two days of talks with fellow OECD members, they had gained support. But others here said no other country was willing to support the use of sanctions against Japan.

Numerical targets are not a new concept in Japanese-American trade relations. But since the new round of negotiations between Japan and the United States began two years ago, Japan has been resisted that idea.

Mr. Milosevic said he would recognize Bosnia only if sanctions were lifted permanently. Mr. Frasire said negotiators could not agree to such an immediate and wholesale concession, the diplomatic sources reported.

BOSNIA: Air-Strike Threat

Continued from Page 1

Serbs to return to peace negotiations.

A U.S. envoy, Robert Frasire, left Belgrade on Tuesday after failing to persuade Mr. Milosevic to recognize Bosnia in exchange for a suspension of sanctions. Another diplomat, Alexander Zotov, a Russian presidential envoy, arrived in Belgrade on Wednesday.

The United States, Russia, France, Germany and Britain had hoped that a diplomatic mission to offer Serbia relief from UN sanctions in exchange for formal recognition of Bosnia would finally break months of frustration in the search for peace.

Instead, they turned over both the technical challenges and the financial uncertainties to the private sector, choosing Eurotunnel to operate the tunnel for 58 years starting last May in return for building and paying for it.

After six and a half years building a system that in many ways is as complex as the Concorde, the tunnel was inaugurated on May 6, 1994, linking Folkestone, England, to Calais, France. Less than two weeks later, Eurotunnel began limited freight service. The same month, the company raised \$1.3 billion from shareholders—on top of \$2.4 billion from earlier stock sales—after issuing a prospectus promising a rapid start-up of services and a quickly improving financial situation.

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EU Warns U.S. on Plan For Quotas In Japan

By Nathaniel C. Nash
New York Times Service

PARIS—Fearing they might be cut out of a deal on auto imports, European countries warned Japan and the United States on Wednesday that they would take their case to the World Trade Organization if Japan agreed to demands to set numerical targets on imports of American cars.

It was the most aggressive step to date by Europeans, one aimed primarily at the United States, that underscored how upset they are at U.S. tactics to open the Japanese car market to American automobiles by threatening to impose sanctions of 100 percent on 13 Japanese luxury cars.

The warning came as Commerce Secretary Ronald H. Brown admitted that the U.S. government was unsure of its legal standing in such threats of trade retaliation. Mr. Brown said that government lawyers had given mixed opinions on whether the American action to increase tariffs on Japanese cars was legal within the new international trade law adopted last year.

The United States has demanded that Japan open its markets and set a figure for increased American auto sales by June 28 or it will impose such sanctions.

Trade specialists noted that the recent world trade agreement specifically sets tariff levels for automobile imports and that any increase of them is a blatant violation of the new law.

The heightening of tensions between Europe and the United States came on the last of a tense two-day meeting of the Organization for Economic Cooperation and Development here, where the United States threatened to impose \$5.9 billion in extra tariffs on Japanese luxury cars in retaliation for Japan's closed markets overshadowed other debate.

Japan pushed hard to include language in the meeting's communique that explicitly condemned the use of unilateral trade actions, and officials said all OECD members supported the Japanese position except the United States.

But it was the threat of the United States to not support the final communiqué, and Japan's willingness to avoid an outright conflict, that kept the language out of the document, officials said.

The threat by European officials now places them in the middle of the automobile trade debate and highlights the level of European frustration with tactics that amount to a threat of a trade war, only months after more than 100 countries signed an agreement meant to settle disputes through a system based at the World Trade Organization.

"We believe such numerically denominated imports amount to managed trade and would violate international trade rules," said Sir Leon Brittan, the European Union's chief trade official. "We would give very serious consideration to taking action against such an agreement at the WTO."

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Japan welcomed the statement by the European Union, since it amounted to support for the Japanese position in their trade dispute.

Wednesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

ANSWER

ON THE PEAKS OF LONG-LORED CLOUDS

THE SIGHTS AND SCENES OF THE HIMALAYAS.

BY

WILLIAM WOODWARD,

Author of "The Himalayan Monks," "The Great Wall of China," &c.

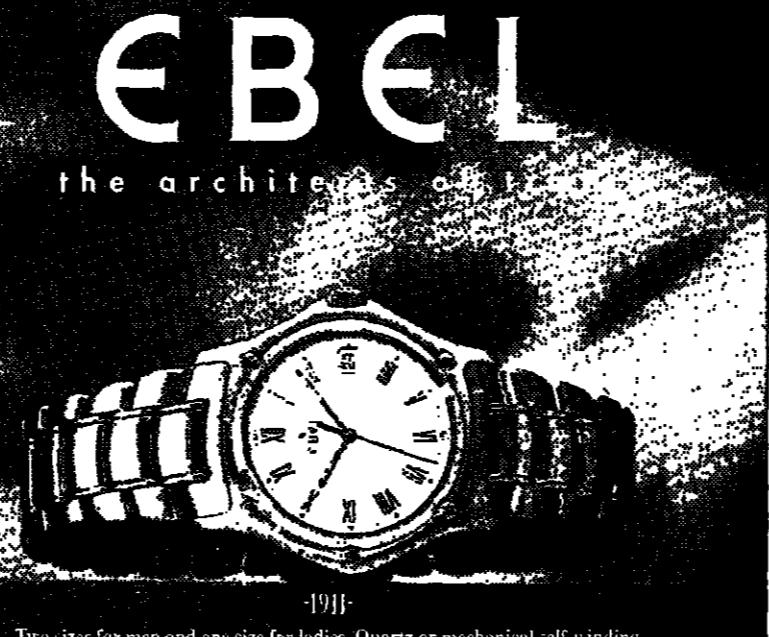
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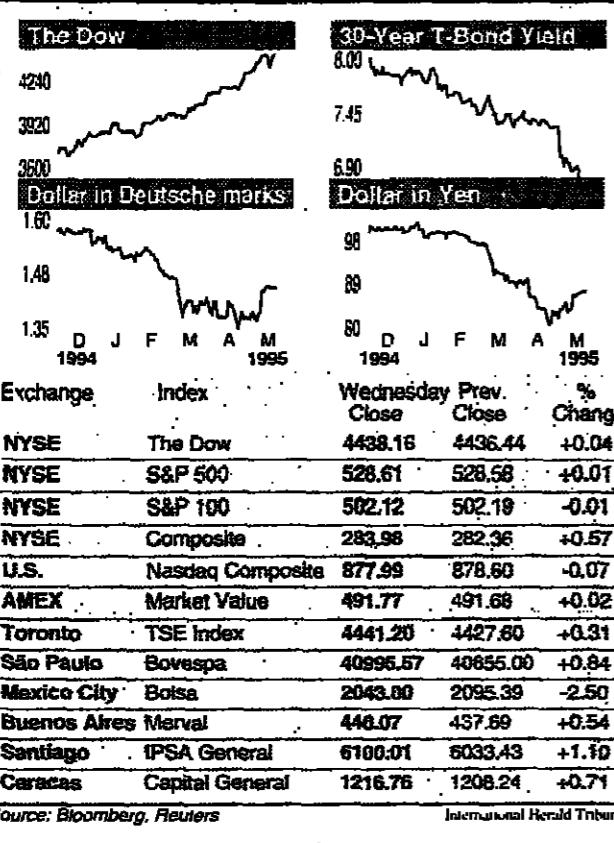
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INTERNATIONAL Business

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Investor's America



Report Puts 'Soft Landing' in Doubt

By Robert D. Hershey Jr.
New York Times Service

WASHINGTON — Evidence mounted Wednesday that the U.S. economy was cooling faster than the Federal Reserve Board intended when it raised interest rates last year.

Orders for long-lasting manufactured goods slipped 4 percent in April, the third straight decline and the steepest since December 1991, the Commerce Department reported. Not only was the drop worse than analysts expected, no major category was spared.

"Today's report confirms that what little momentum was left in the industrial sector has all but disappeared," said Laurence H. Meyer, a consultant in St. Louis.

Nonetheless, analysts generally continued to avoid predicting that the economy's sharp deceleration, to a pace probably slower than the 2.5 percent or so that is

widely thought to be its "speed limit," would deteriorate into recession.

"The picture of a soft-landing is still coherent," said David C. Munro, economist at the New York consulting firm High Frequency Economics. Soft landing is the term that has been widely used lately to describe an economy slowing to a noninflationary growth rate without slipping into recession.

"It's not time to call for the crash truck," Mr. Munro added.

Shipments of durable goods fell 2.1 percent last month, the first decline since October, and backlog of unfilled orders declined by 0.4 percent, for the first time since August.

The figures tended to increase the chances that the Fed's next move on interest rates would be a cut, but analysts said it remained unlikely this would come as soon as its next scheduled policy meeting in early July.

Tuesday's meeting of the Federal Open Market Committee, which convenes eight

times a year to plot monetary policy, produced no change.

The Fed has raised the target for federal funds rate seven times since February 1994. The last time it raised the target rate, which prices overnight loans among U.S. banks, was in February 1995. The target sets the floor for U.S. interest rates. It currently stands at 6 percent.

With exports booming, long-term interest rates reduced enough to stabilize the housing sector and payroll still expanding, the economy may well reaccelerate after currently swollen inventories are worked off, analysts said.

The sharp fall in the dollar so far this year has fueled U.S. exports.

Exports hit a record \$65.34 billion in March. The weak dollar makes U.S. goods relatively inexpensive in foreign countries.

[Wayne Ayers, chief economist at Bank of Boston in New York, said the "soft-landing scenario is called into question." Reuters reported from New York.]

MARKET: Can Stock Rally Last?

Continued from Page 13

and the Fed has to clamp down on it with higher interest rates. Almost no one doubts that the market's underlying strength comes from what the administration has called the "Goldilocks recovery" — not too hot, not too cool, just right in terms of moderate economic growth, steady job creation, low inflation, and healthy corporate profits. But Goldilocks, a TV financial commentator reminded his viewers this week, was chased out by three bears.

Hedge-fund managers, who lead and often accentuate the turns in most markets, have been aware of this for some time. Bud Collins, chairman of Collins Associates of Newport Beach, California, which places hundreds of millions of dollars in pension funds with these speculative funds, reportedly that many have bet 30 percent of their assets on a fall in the market and 80 percent on a rise, which according to the accounting represents a "net exposure of only 50 percent long, and that is a defensive position, which expects a bear market."

Mr. Biryini's growth portfolio is up 26 percent since he recommended it to clients at the start of the year. It includes technology companies, consumer stocks, pharmaceuticals, and a bank: Texas Instruments Inc., Compaq Computer Corp., Digital Equipment Corp., Hewlett-Packard Co., Johnson & Johnson, Schering-Plough Corp., PepsiCo Inc., Walt Disney Co., and Wells Fargo & Co.

He recommended them because his computer analyses showed other investors were buying them, and if those same investors take flight for any reason and sell out, so will he, taking smaller but still comfortable profits on a market dip of perhaps a few hundred points.

Mr. Walberg, who bases his analysis on broad economic trends and their impact on industries, also can foresee a possible stock-market slippage of 5 percent to 7 percent. He said he thought the correction would probably be the result of technology stocks overreaching themselves, whereupon investors would probably turn to defensive stocks — financial companies, foods, and pharmaceuticals — which incidentally form the other half of Mr. Biryini's model portfolio based purely what people buy and not why.

Of course all bets are off, Mr. Walberg said, if the economy revives too strongly in the fall

U.S. Stocks

commodities. Therefore, small investors stick to buying stocks on brand name and pure fun, pushing their prices beyond intrinsic values and incidentally doing better this year than mutual-fund managers who have rationalized value-driven investment plans.

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Bonds Surge After Data

Bond prices were lifted Wednesday by a government report showing a drop in orders for durable goods in April, news agencies reported.

The drop in orders was seen by bond investors as a sign the U.S. economy was slowing enough to keep inflation in check.

Cheered by the lower interest rates, buying issues outnumbered losing ones by a 6-to-5 ratio on the New York Stock Exchange.

Micro Technologies was the most-active issue on the Big Board, falling 23%, to 47, as investors took profits after the stock reached a record high Tuesday.

Technology stocks have been leading the stock market higher. EMC Corp. rose 4%, to 244, Motorola rose 2%, to 624, and Compaq jumped 14%, to 414.

Cyclicals were a bit weaker, discouraged by the sign of economic slowdown seen in the durable goods data. Ford slipped 3%, to 283, and General Motors lost 3%, to 464.

(Bloomberg, Reuters)

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Bogle to Step Down as CEO of Vanguard

Continued from Page 13

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Very briefly:

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EU Puts French-German Phone Venture on Hold

Compiled by Our Staff From Dispatches

BRUSSELS — The European Union's executive commission said Wednesday that a planned venture between the French and German state telecommunications companies would have to be restructured to meet EU antitrust regulations.

The EU competition commissioner, Karel van Miert, said he had written to France Telecom and Deutsche Telekom AG, informing them that their planned venture, to be called *Atlas*, was unacceptable "in its current form."

The commission said that Deutsche Telekom and France Telecom already controlled about three-quarters of their national markets for business services. If they joined forces, competition would be reduced further, it said.

"Atlas doesn't seem capable of covering the global needs of multinational companies," said Mr. van Miert.

The *Atlas* joint venture would provide businesses with tailor-made telecommunications services such as data transmission, video-conferencing and voice-telephony. Its sales would total

about 1.5 billion European Currency Units (\$1.9 billion) a year, analysts said.

A Deutsche Telekom spokesman said Mr. van Miert's letter did not forbid the venture but simply was a "warning letter" advising the telecommunications concerns to alter their strategy. "We will modify our plans, and we will be working on these modifications over the next few weeks," the spokesman said. "We will find a solution that is acceptable for us and for the EU."

(AP, Bloomberg)

EU Will Investigate Dutch TV Venture

The European Commission said Wednesday that it would open an inquiry into a proposed venture among the Dutch television broadcasters RTL 4 SA, Vereniging Veronica Omroeporganisatie and Endemol Entertainment Holding BV.

Services reported from Brussels.

The Dutch government asked the commission to investigate the competition implications of the venture, which would control three out of six of the Netherlands' terrestrial channels. (AFX, AFP)

Top Rival Enters Galerias Bidding

Compiled by Our Staff From Dispatches

MADRID — El Corte Ingles joined the bidding for its struggling competitor, the retailer Galerias Precios, a spokesman for Galerias said Wednesday.

Three other bidders have offered to buy Galerias, which was placed in receivership in December 1994. El Corte Ingles, the country's largest retailer, previously denied it was interested in the company. A combination of Galerias and Corte Ingles would have sales of well over 1 trillion pesetas (\$8 billion) a year.

The two companies' work forces currently total about 56,300. But labor officials said Corte Ingles's plan for the company called for cutting more than 2,000 of the 7,300 jobs at Galerias and closing some of its 30 stores. The officials of the Comisiones Obreras union said they had re-

fused to sign a proposed agreement with El Corte Ingles because those plans.

The Commerce Ministry, which has been leading the search for a new owner for Galerias, has required previous bidders to pledge to keep all the stores open and minimize job cuts.

Details of the Corte Ingles offer were not disclosed. One press report said it had offered to pay 40 billion pesetas for Galerias and to forge a 25 billion peseta government credit that the other three suitors were likely to seek. The Trade Ministry is to decide on a buyer by June 7.

The other bidders are Galerias's main suppliers, who formed Alianza Galerias; the Spanish businessman Jose Luis Dominguez; and a partnership formed by the mail-order company Cristian Lay and the steel concern Gallardo.

(Reuters, Bloomberg)

Slow Spending Hurts Karstadt

Compiled by Our Staff From Dispatches

FRANKFURT — Karstadt AG said Wednesday that weak consumer spending and troubles with integrating Hertie stores slashed its net profit by 80 percent last year.

Karstadt earned 41.9 million Deutsche marks (\$29 million) last year, down from 226.8 million in 1993. The retailer maintained its 13 DM dividend.

The figures seemed to make it less likely that Mr. Clarke and the Bank of England governor, Eddie George, would decide to raise interest rates at their next meeting on monetary policy June 7.

A Treasury official said, "These figures confirm the economy is growing at a more sustainable rate, led by investment and net exports."

There had been concern that the growth rates of more than 4 percent seen in the final three quarters of 1994 could jeopardize Britain's chances of keeping inflation in check. The economy's so-called trend rate of long-term growth is 2.25 percent, however. So

Daimler's Reuter Warns of Perils Of Strong Mark

Compiled by Our Staff From Dispatches

BERLIN — The Deutsche mark is too strong and business conditions in Germany "threaten the very fiber" of the country's industry, the retiring chairman of Daimler-Benz AG said Wednesday.

Edward Reuter, 67, is being replaced after eight years as head of Germany's biggest industrial conglomerate by Jürgen Schrempp, 50, who had led the unprofitable Daimler-Benz Aerospace AG subsidiary since 1989.

In his farewell speech to the annual shareholders' meeting in Stuttgart, Mr. Reuter said that present exchange rates make it "virtually impossible to sell German products profitably on many foreign markets."

Daimler-Benz's sales rose 3.7 percent in the first quarter, but were up only 2 percent for the first four months of the year, indicating a serious slump in April, when the dollar's weakness was most severe.

The strong mark and "irresponsibly high" wages could force Daimler to shift production outside Germany, Mr. Reuter said, and he blasted the country's political leadership for lack of foresight.

"I cannot figure out how anybody in this country, leading politicians included,

could fail to see that long-term serious distortions of economic parameters threaten the very fiber of much of Germany's business and industry," Mr. Reuter said.

Mr. Reuter said Daimler-Benz Aerospace, which faces "stiffest competition" against companies doing business in dollars, suffered the most immediate impact of the mark's rise. Its sales fell 14 percent in the first four months.

Nonetheless, Mr. Reuter predicted Daimler-Benz's total profit would grow one-third this year and by 1997 "should have increased many times over." A strong performance at its Mercedes-Benz luxury car unit and cost cutting should allow the earnings growth, he said.

The retiring chairman conceded that he had "made mistakes" since he took over in 1987.

His tenure grew in controversy as Daimler-Benz's profitability dwindled. The company posted a loss in 1993, its first in more than a century. Daimler had been known mostly for making Mercedes-Benz cars and trucks before Mr. Reuter started a costly drive to diversify into aircraft, electrical products and other directions.

(AP, Bloomberg, Reuters)

Franc Falls As Traders Question Jobs Plan

Reuters

PARIS — The French franc fell on Wednesday to its lowest point against the Deutsche mark since Jacques Chirac was elected president, and although it recovered slightly later in the day, dealers said the currency remained under pressure.

Investors were jittery after Prime Minister Alain Juppé promised a host of job-creating measures but said nothing about how they would be funded.

Some said Mr. Juppé was apparently delaying the announcement of a probable tax increase until after France's local elections in mid-June.

The mark hit a high of 3.5660 francs, slightly above the 3.5640 level reached last week, when Mr. Chirac was inaugurated, and just below the 3.5700 plateau recorded on the eve of his election.

The franc later recovered, but the mark's closing level of 3.5588 francs in Paris was still more than a centime higher than its 3.5466 close on Tuesday.

Some analysts based the recovery on Finance Minister Alain Madelin's pledge Wednesday that he would cut the budget deficit.

"We will have a very strong policy of cutting deficits," he said. "In the morning, I fight deficits. In the afternoon, I fight deficits. In the evening, I fight deficits."

But Nathalie Fillet of Banque Paribas said the markets might well stay on edge until Mr. Juppé's promised mini-budget is unveiled next month.

"The franc is not doing so badly," she said. "But we need to be back in the sort of latent crisis, similar to before the election, where everyone is wondering what budget policy will be."

Another analyst, who spoke on the condition of anonymity, said that Asian and American mutual funds sold the franc on Wednesday, but that the volume of business was limited by upcoming holidays: on Thursday in Paris and Monday in New York and London.

"There is not a massive flow of selling against the franc," the analyst said.

Investor's Europe

	Frankfurt	London	Paris
	DAX	FTSE 100 Index	CAC 40
2150	3300	3220	2000
2100	3140	1925	1850
2050	3060	1775	1775
2000	2980	1775	1775
1950	2900	1700	1700
1900	2900	1700	1700
D J F M A M	D J F M A M	D J F M A M	D J F M A M
1994	1994	1994	1994
1995	1995	1995	1995
Exchange	Index	Wednesday	%
		Prev.	Close
Amsterdam	EOE	430.52	426.82
Brussels	Stock Exchange	7,563.92	7,536.59
Frankfurt	DAX	2,105.12	2,080.35
Copenhagen	Stock Market	360.72	359.72
Helsinki	HEX General	1,856.76	1,862.84
Oslo	OBX	382.97	381.85
London	FTSE 100	3,327.10	3,291.80
Madrid	Stock Exchange	303.11	300.48
Paris	CAC 40	1,960.67	1,965.31
Six 16	SIX 16	1,722.13	1,723.42
Vienna	ATX	1,833.51	1,816.87
Zurich	SPI	1,817.67	1,801.85

Source: Telekurs

International Herald Tribune

Very briefly:

• Carlton Communications PLC said first-half profit rose 64 percent, to £10.21 million (\$18.8 million), boosted by TV broadcasting, and including the acquisition of Central Television: sales rose 22 percent, to £800.6 million.

• Courtaulds PLC said pretax profit for the year to March 31 rose 3 percent to £151.1 million; the British chemical company said sales rose 7 percent, to £2.13 billion. The company said increased raw materials prices had caused margins to drop to 9.3 percent from 12.8 percent.

• VSEL PLC, the target of a takeover battle between British Aerospace PLC and General Electric Co. of Britain, said pretax profit rose 6 percent, to £64.5 million, in the year ended March 31. Sales fell 8 percent, to £248.7 million.

• Bass PLC said profit for the first half rose 9 percent, to £263 million although sales remained flat at £2.2 billion; the brewer said prospects for expansion in Eastern Europe and China were good.

• Royal Nedlloyd Group NV said reduced interest costs, contributions from minority holdings and gains from asset sales helped first-quarter profit rise to 77 million guilders (\$46.8 million), from 10 million guilders a year ago; the shipping company said sales rose 3 percent, to 1.65 billion guilders.

• Deutsche Bahn AG said net profit in 1994 was 181 million DM (\$125.8 million); 1994 was first year of independent operation for the German national railroad; sales of long-distance rail travel rose 1 percent, to 4.9 billion DM, while short-distance sales rose 6 percent, to 10.8 billion DM.

• Italy launched the world's biggest Euroyen bond issue on Wednesday, totaling 550 billion yen (\$6.30 billion).

• French analysts forecast a 34.8 percent rise in earnings for CAC 40 companies, after a 14.2 percent rise in 1994, according to a survey by the research organization Associes en Finance.

• Union Bank of Switzerland's chief executive, Robert Studer, said earnings to date in 1995 were above those posted in the same period last year yet were still below budget; he said Switzerland's 1995 economic growth would be lower than originally forecast.

Bloomberg, Reuters, AFX

Revision Trims Britain's Growth Rate

Compiled by Our Staff From Dispatches

LONDON — Economic growth slowed more sharply than expected in the first quarter, according to data released Wednesday, easing the pressure on Chancellor of the Exchequer Kenneth Clarke to raise interest rates next month.

A Treasury official said, "These figures confirm the economy is growing at a more sustainable rate, led by investment and net exports."

There had been concern that the growth rates of more than 4 percent seen in the final three quarters of 1994 could jeopardize Britain's chances of keeping inflation in check.

The economy's so-called trend rate of long-term growth is 2.25 percent, however. So

rates still may have to be raised eventually unless growth continues to slow.

"We expect export and investment growth to support economic activity," said Andrew Milligan, chief economist at New Japan Securities. "Combined with the inflationary pressures already in the pipeline, we still think on balance there should be a further tightening in the next few months."

British monetary authorities have vowed to rescue the economy from the pattern of boom and bust that has dogged it since the late 1980s, and Mr. George is thought to have asked for an interest-rate increase when he met with Mr. Clarke May 5.

(Reuters, Bloomberg)

AMEX

U.S. STOCK MARKET DIARY

Indexes Dow Jones

Open High Low Last Chg. %

AMCO-T 810.61 816.50 804.66 816.50 +2.24 +0.27%

AT&T 718.75 724.20 714.20 724.20 +1.45 +0.20%

Merck 449.45 448.00 437.45 448.00 -0.15 -0.03%

Comcast 399.00 417.00 404.00 417.00 +1.70 +0.41%

AT&T 2,070.00 2,043.00 2,030.00 2,043.00 -27.00 -1.32%

Standard & Poor's 1427.74 1426.00 1414.45 1426.00 -1.71 -0.12%

High Low Last Chg. %

Industrials 6,023.00 6,025.50 6,022.00 6,025.50 +0.50 +0.08%

Utilities 2,047.00 2,047.50 2,045.00 2,047.50 +0.50 +0.02%

Finance 1,624.00 1,624.50 1,622.00 1,624.50 +0.50 +0.03%

Transport 1,582.00 1,582.50 1,580.00 1,582.50 +

NASDAQ

Wednesday's 4 p.m.
The 1,000 most-traded National Market securities in
terms of dollar value, updated twice a year.
The Associated Press.

The Associated Press

Wednesday's 4 p.m. Close
(Continued)

(Continued)

ASIA/PACIFIC

In Region's Growth Blows, but a 'Soft Landing' Is Seen

By Michael Richardson
International Herald Tribune

SINGAPORE — The rapid economic growth around the Pacific Rim is tapering off, but there appears little risk of a regional recession despite a faltering recovery in Japan, a slowdown in the United States and backwash from the financial crisis in Mexico, a panel of forecasters said Wednesday.

In an annual report prepared for the Pacific Economic Cooperation Council, the forecasters said growth, adjusted for inflation, would slow to 4 percent in 1996 from 4.1 percent in 1995 and 4.7 percent in 1994.

It also said inflation would rise to 4.6 percent this year from 3.9 percent in 1994, then slip to 4.1 percent in 1996.

The survey covers 18 developed, newly industrializing and developing countries in East Asia, Australasia and the Americas that make up one of the most dynamic regions of the world. Excluding Japan and the United States, the group is expected to show growth of 5.8 percent in 1996, down from 6 percent in 1995 and 7 percent in 1994.

Lawrence B. Krause, a professor of Pacific economic cooperation at University of California in San Diego who coordinated the survey, said, "The story these numbers are portraying is one of a soft landing for the region as a whole." Achieving a soft landing, a slowdown in growth without recession, in 1995-96 would

be "as remarkable as the spurt of growth experienced in 1994."

But the report, prepared before the dispute between the United States and Japan over automobiles led to threats of trade sanctions, warned that if the yen appreciated too much against the dollar, it could undermine growth in Japan, which could lead to recession there, inflation in America and disruption elsewhere around the Pacific, where many currencies are linked to the dollar or the yen.

The survey predicts Japan's economy will expand 2.8 percent in 1996, up from 1.2 percent in 1995 and 0.6 percent in 1994.

The Organization for Economic Cooperation and Development on Monday cut its forecast for Japan's growth in 1995 to 1.3 percent from 2.5 percent. But Mr. Krause said Japan still might provide more stimulus to the region than its growth rate implied, as the strong yen would attract imports into Japan from other regional countries and prompt Japanese companies to invest in those countries.

China, which has the third-largest economy in the area after the United States and Japan, was hit by inflation of nearly 22 percent in 1994. Mr. Krause said inflation would remain a problem in China "as long as the core of the old industrial system remains, with state enterprises not being subject to a hard budget constraint."

— MICHAEL RICHARDSON

Hanoi's Energy Star Rises

Recent Discoveries Excite Oil Firms

By Michael Richardson
International Herald Tribune

SINGAPORE — Recent oil and gas discoveries in the South China Sea off southern Vietnam have sharply increased foreign companies' interest in the region despite the risk of reprisals by Beijing, which claims control of part of the area.

Oil company executives and analysts said Tuesday that six new finds in the past year, the most recent made just this month by a South Korean-led group, had led to a major upgrading of Vietnam's petroleum prospects and added gas to its list of potential export items. Vietnam already exports oil to Japan and other markets.

"Vietnam is likely to lead Asia in increased oil production over the next five to seven years," said Charles J. Johnson, an energy analyst at the East-West Center in Honolulu who regularly visits that country to meet with oil-industry officials and foreign oil companies.

He said the recent discoveries would help Vietnam raise its oil output to between 450,000 and 500,000 barrels a day in five to seven years, about three times its present rate of production.

Mr. Johnson, a geologist and energy economist by training, also said Vietnam's recoverable offshore gas re-

serves were likely to triple to about 18 trillion cubic feet by 2010, enough for extensive exports as well as local use.

Vietnam is "potentially a very important gas province" for the Asia-Pacific region, where demand for the clean fuel is rising, said Les Blair, general manager of British Gas Exploration & Production (Vietnam) Pte. in Ho Chi Minh City.

Less than two years ago, a succession of disappointing drilling results caused Western companies to downgrade Vietnam's prospects.

Mr. Blair acknowledged that exploration had been "a bit of a roller coaster" but said recent finds by Western and Asian companies had encouraged new entrants to bid for exploration and production rights and prompted those already active offshore to commit more funds for drilling.

BP and its partners plan to start gas production in 1998.

Executives of foreign oil companies said China's claim to some of the areas in the South China Sea was not holding back plans for commercial development of oil and gas reserves.

While foreign companies were aware of the risk involved, one executive said, most of them "feel the Chinese claim is unreasonable and will not be pursued."

■ **Airlines Are Swimming in Debt**

Most Indonesian airline companies are suffering liquidity problems and have run up huge debts with the company that manages the country's airports, according to the state-owned Antara news agency, Knight-Ridder reported.

The situation is so critical that the national carrier PT Garuda Indonesia has been threatened with a cut in telephone and power supply at Jakarta's Soekarno-Hatta airport.

"They have to strike a balance between volume of sales and margins," said Darwin Sutanto of Baring Securities.

■ **Indonesia's Car Industry**

Indonesia's automobile industry, one of the most heavily taxed in the world, will get an immediate lift from a government economic liberalization package, analysts said Wednesday.

The government's package, unveiled Tuesday, reduces effective tax rates on fully assembled car imports to 200 percent from 275 percent. Taxes on imported auto components were lowered to 65 percent from 100 percent.

"This is certainly going to be more favorable for the domestic producers

than the importers," said an analyst at Crédit Lyonnais. "When the import tariffs on assembled cars come all the way down, the assemblers will have to match international production costs."

A drop in the tariffs could not have come at a better moment. Indonesia's automobile distributors and producers have been faced with the double whammy of domestic interest rates near 20 percent and a soaring yen exchange rate this year.

"This will definitely help offset the yen and interest-rate problems," said David Chang, the head of research at Sigma Batara.

Indonesia has only two major domestic auto assemblers, PT Astra International and Indomobil, a division of PT Salim Group. Astra holds 55 percent of the passenger car market while Indomobil has about 30 percent.

More than 80 percent of the parts of the Toyotas and other cars that Astra assembles are imported. Analysts said the company's dominant position in the domestic market may allow it to keep prices up despite the drop in costs, increasing its profit margins.

In February, British Petroleum Co. and its partners Statoil of Norway and Oil & Natural Gas Corp. of India announced the first commercial gas discovery off Vietnam, in an area of the Nam Con Son Basin in the South China Sea claimed by Beijing.

Hanoi insists that the area, some 450 kilometers (280 miles) southeast of Ho Chi Minh City, is part of its continental shelf.

The BP-led group says recoverable reserves in its two fields total 2 trillion cubic feet (60 billion cubic meters) and that the basin could yield additional reserves of about 4 trillion cubic feet.

The group recently joined other foreign companies, including Mobil Corp. of the United States and Broken Hill Pty. of Australia, on a feasibility study of a pipeline that would link their gas fields to planned processing and transportation facilities on the mainland.

BP and its partners plan to start gas production in 1998.

Executives of foreign oil companies said China's claim to some of the areas in the South China Sea was not holding back plans for commercial development of oil and gas reserves.

While foreign companies were aware of the risk involved, one executive said, most of them "feel the Chinese claim is unreasonable and will not be pursued."

Foreigners Win Places In Singapore Telecoms

By Agence France-Presse

SINGAPORE — Singapore on Wednesday took a giant step toward liberalizing its telecommunications industry, awarding licenses to three foreign-linked companies as mobile-telephone and paging-service providers.

"It marks the most significant liberalization of Singapore's telecom industry so far," said Mah Bow Ten, the communications minister. "With more cellular-phone and paging operators entering the market, consumers can look forward to more new services at attractive prices."

The group recently joined other foreign companies, including Mobil Corp. of the United States and Broken Hill Pty. of Australia, on a feasibility study of a pipeline that would link their gas fields to planned processing and transportation facilities on the mainland.

Mobil One (Asia) Ltd., a consortium with Hong Kong interests, won a coveted permit to operate Singapore's second cellular network and another license to run a paging service.

Mobil One is a partnership among Keppel Group, SPH Multimedia and Great Eastern Telecommunications Ltd., itself a joint venture between Hong-Kong Telecom and its parent, Cable & Wireless PLC.

The two other companies winning paging licenses were Intrapage, Hong Kong-based Hutchinson Telecommunications Ltd. has a 40 percent stake in Intrapage, the rest of which is 30 percent owned by the Singapore-based Intraco Ltd. and Teldata (Singapore) Ltd.

ST Paging is a consortium of the local companies Singapore Technologies Ventures Pte. and Comfort Group Ltd., along with the U.S.-based BellSouth Worldwide Holdings.

The licensees will be permitted to begin technical preparations immediately and to commence full operations on April 1, 1997, officials said.

Singapore's cellular-phone and paging-services market has been estimated at \$320 million annually.

Mr. Mah said Singapore remained committed to the idea that giving market forces a free rein was the best way to ensure a great variety of services at competitive prices.

Investor's Asia

Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225
10000	2400	20000
9000	2300	19000
8000	2200	18000
7000	2100	17000
6000	2000	16000
5000	1900	15000
4000	1800	14000
3000	1700	13000
2000	1600	12000
1000	1500	11000
D J F M A M 1994	D J F M A M 1995	D J F M A M 1994
Exchanges Index	Wednesday Prev. Close	% Change
Hong Kong Hang Seng	9,258.18	-8,302.88 -0.48
Singapore Straits Times	2,172.08	-2,151.08 -0.38
Sabah All Ordinaries	2,155.50	-2,034.00 +0.22
Tokyo Nikkei 225	15,978.28	-15,916.15 -0.34
Malaysia Composite	1,007.75	-1,024.81 +0.18
Brunei SET	1,275.35	-1,330.07 -3.48
Stock Composite Index	8,625.25	-8,560.00 -0.56
Philippines Stock Market Index	5,205.71	-5,105.03 -1.94
Malta PSE	2,700.00	-2,745.00 +1.84
Thailand Composite Index	574.00	-570.77 -0.38
Wales NSE 40	2,127.00	-2,126.00 -0.57
Singapore Sensitive Index	3,225.45	-3,220.12 -0.34

Source: Telekurs International Herald Tribune

Very briefly:

• East Japan Railway Co.'s consolidated pretax profit fell to 108.1 billion yen (\$1.24 billion) in the year to March from 110 billion yen in the previous year as the earthquake in Kobe in January and the gas attack in Tokyo in March depressed transport revenue.

• Mitsubishi Heavy Industries Ltd.'s consolidated pretax earnings rose 21 percent, to 155 billion yen, in the year to March; sales rose 2 percent.

• ANZ Banking Group Ltd.'s net profit rose to 487 million Australian dollars (\$349.8 million) in the six months to March 31 from 364 million dollars in the year-ago period as loan income rose and bad debts dropped.

• Malaysia's government does not plan to restrict auto or housing loans to rein in economic growth, but the government does plan to take steps to increase savings and control prices on some items.

• China will set up a 100 percent, privately owned bank dedicated to financing growth of the country's private sector.

• Hindustan Group Ltd., one of the largest conglomerates in India, said it was close to forming a cable-television partnership in the country with a leading international media company, which it did not specify.

— AFP, Reuters, Bloomberg

Japanese Insurers Post Gains

By Bloomberg Business News
TOKYO — Casualty insurers posted healthy profit gains in Wednesday, with little or no effect from the devastating Kobe earthquake because few residents of the Kobe area had earthquake insurance.

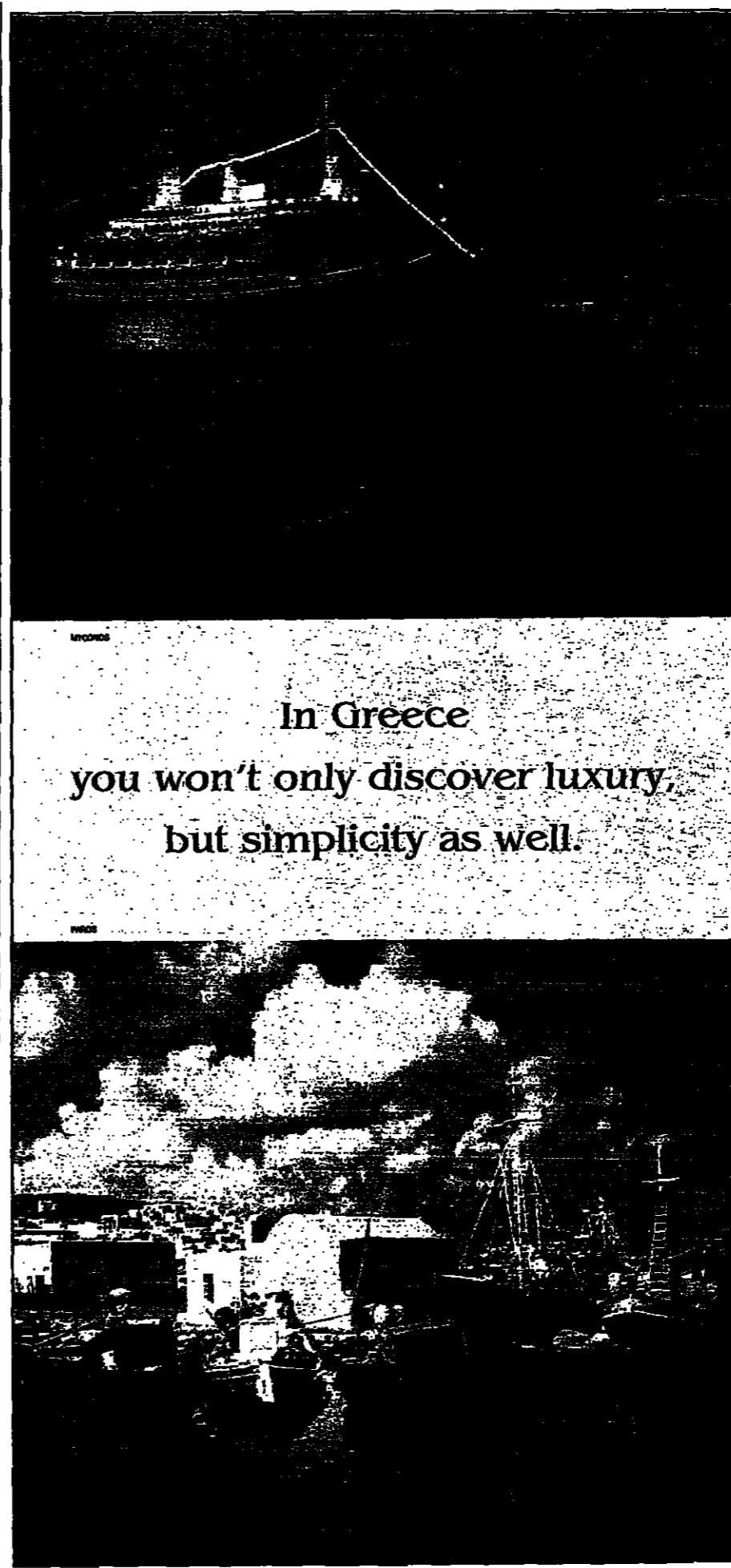
A reserve fund created by the insurance industry and government covered the estimated 130 billion yen (\$1.49 billion) in payments related to the Kobe disaster.

Yasuda Marine & Fire Co. reported a 13 percent increase to 37.33 billion yen,

INTERNATIONAL RECRUITMENT

You will find below a selection of employment offers published in last Monday's International Herald Tribune. For a copy of last Monday's paper, please call Fred Ronan on Paris (1) 41 43 93 91

POSITIONS	COMPANY	CONTACT
Contracts Assistant Ref: N° EUM/VN (95) 18	EUMETSAT	EUMETSAT Ms F. Jayawant - Personnel Officer Am Ehrengrund 45 D-6424 Darmstadt-Eberstadt Germany
Pre-Sales support Engineers	World International Leader in Telecommunications	COMMUNIQUE 50-51, rue de Silly 92513 Boulogne-Billancourt Cedex - France
Business Unit Director	BIOGEN	MTCE Medical Technology Consultants Europe 1, rue Garnier 92200 Neuilly-sur-Seine - France
Post of Vice-President	African Export-Import Bank	The President African Export-Import Bank World Trade Centre Building P.O. Box 404 Gezira 1191 Comiche El Nil Cairo - Egypt 11451
Regional Programme Officer (Policy and Planning) Ref: VN-94-220	UNICEF	Recruitment and Placement Section UNICEF 3, U.N. Plaza ISEG H-5/F New York, NY 10017 - USA
- Correspondents in Rome, Bern, Paris - Commodities reporter in London - Copy Editor in London	Knight-Ridder Financial/News	Editor Knight-Ridder Financial News - KR House 78 Fleet Street, London EC4Y 1HY - U.K.
Senior Lawyer In-House Legal Manager	—	Head of Human Resources under CIPHER B118761 Publicitas Case Postale 645 - 1211 Geneva 3 Switzerland
Marketing & Sales Manager Ref: IHT595	An innovative Geneva-based luxury goods company	Cabinet Juridique Merlotti 15, boulevard Helvétique CH-1207, Geneva, Switzerland
Translator/Reviser at the European Court of Human Rights Ref: 31/95	Council of Europe	Human Resources Division Recruitment Unit Council of Europe 67075 Strasbourg - France
University Lecturers	University of Maryland	University of Maryland Computer Studies Office Im Boscombe 30 Höchst Heidelberg - Germany
Competitive Examination for Arabic Editors	United Nations	Secretary Recruitment Section Competitive Examination for Arabic Editors-Room 200 United Nations Office at Geneva CH-1211 Geneva 10, Switzerland



There are several ways to explore the crystal clear waters of Greece. Whether from the deck of a luxury cruise ship which can carry you to many of Greece's 2,500 beautiful islands, from the high-prowed bow of a traditional fishing vessel, or on your own private chartered yacht. Whatever your choice, you will never forget Greece.

Hellas

There's No Accounting for Hollywood Bookkeeping

Los Angeles Times Service

LOS ANGELES — "Forrest Gump," the Academy Award-winning movie starring Tom Hanks as a simple man who believed the best about people, has sold a staggering \$661 million of tickets worldwide — the fourth-highest-grossing global release of all time.

So it was understandable that eyebrows would be raised when a confidential accounting of the movie by Paramount Pictures recently surfaced showing "Gump" had not made a profit as of Dec. 31 — even though the film by then had brought in more than \$350 million at the box office.

Indeed, Paramount's financial statement asserted that "Gump" had actually lost \$62 million at year-end.

Now, Winston Groom, the former journalist whose novel was the basis of the film, has hired a prominent lawyer to seek answers from the studio. Mr. Groom, who was paid in advance for the movie rights to his book, also is to receive 3 percent of any net profit on the film.

"We're meeting with Paramount very soon," said the lawyer, Pierce O'Donnell — who won a court victory over Paramount on behalf of the newspaper columnist Art Buchwald in a similar case involving the film "Coming to America."

"Gump would like to work this out amicably," Mr. O'Donnell said. "He believes strongly that this is an unfair method of accounting."

Mr. O'Donnell said Mr. Groom was unavailable for comment.

For some, the Gump affair raises a question: Can a big movie ever make a net profit using Hollywood accounting practices?

Paramount executives refused to comment. But sources at the studio said they were stunned by Mr. Groom's actions and by any suggestion that the studio was playing tricks with its accounting on "Gump" or had been unfair to net-profit participants.

The sources say that even though the film has yet to show a net profit, studio executives believe it eventually will. Paramount has already paid out about \$3 million to those who have net-profit positions on the movie — and Paramount has offered a \$250,000 check to Mr. Groom as a "gift."

"They tried to give money to Winston," said the source, who asked not to be identified. "I think he may not understand. All we are trying to do is give him \$250,000 as an advance, no strings attached. We're not trying to take money from anybody."

Mr. O'Donnell said the payment "would be a way of buying him off and making him go away." He said the amount was rejected because "he thought it was too light."

Mr. O'Donnell said Mr. Groom happened to know Mr. Buchwald, and the two writers have been comparing notes about Paramount's accounting practices — even thought Mr. Buch-

wald's case occurred under a previous management, long before Viacom Inc. took over Paramount Communications Inc.

In Mr. Buchwald's case, a judge termed Paramount's net profit formula "unconscionable." Paramount has appealed the verdict.

In that case, Mr. O'Donnell said, Paramount said that even though "Coming to America" had gross box-office receipts of \$160 million, it was unlikely to show a net profit. That prompted Mr. Buchwald to quip, "If Paramount keeps selling 'Coming to America,' they're going to go broke."

Mr. Buchwald confirmed this week that he and Mr. Groom had discussed the issue. "I think Paramount want to cheat Winston Groom out of 3 percent when it's his story."

While Mr. Groom is wondering where all the money is going, other net-profit participants are defending Paramount.

Steve Tisch, who co-produced the film, and Eric Roth, who wrote the screenplay, confirmed that Paramount had advanced them money against future profit — a clear sign the studio eventually expected to show a profit on the movie.

Mr. Tisch, who produced the movie along with Wendy Finerman and Steve Starkey, said he

wanted to wait until additional revenue from video sales, television and merchandising rights to "Gump" started showing up.

If the movie does not show a profit by the autumn, Mr. Tisch said, "then I think there is reason for concern." He added: "When I feel it is time to audit Paramount, I'm going to do it. I feel I've been treated extremely well by Paramount."

Mr. Tisch deferred his producer's fee of \$250,000 to make the movie, sweetening his deal in the later stages.

Mr. Roth said Paramount had been "generous" to him, paying advances in addition to fees he had received to write the screenplay and make script revisions.

Critics of studio accounting say "Gump" provides proof that net profits are rare, especially on big films. "There is a greater chance that a writer will be struck by lightning than that he will get any net profits in a high-budget movie with a big star and a big director," Mr. O'Donnell said.

Mr. Hanks, whose portrayal of the Gump character won him the Academy Award for best actor, and Robert Zemeckis, who won the Oscar for best director, will earn a percentage of the gross.

Sources say Mr. Hanks and Mr. Zemeckis each could make \$30 million to \$40 million because they have "first-dollar" deals sharing the box-office receipts that Paramount receives after the film's exhibitors have been paid.

Viacom's Battle Over Stock Price Turns Intramural

By Geraldine Fabrikant
New York Times Service

of selling late in the day to depress the price.

Every stock has two prices: the bid price at which buying orders are placed, and the asked price at which someone is willing to sell. Normally, a stock's last trade of the day would be at the bid price about as often as at the asked price.

But traders say Viacom's Class B shares have closed at the asked price more than four times as often as the bid price during the computation period.

For the CVR securities, Viacom will calculate the average closing stock price for each 20-day period from April 12 to July 7. If the median price of the 20-day averages is higher than \$48, the rights expire worthless.

If the median price is lower,

however, Viacom must either pay holders the difference between \$48 and the lower price in cash or securities, or roll the commitment forward a year, with a trigger of \$51 a share. There are 55 million of the rights outstanding, so if the share price averaged \$47.75, it would cost Viacom \$13.75 million.

The other securities, the so-called VCRs, represent an even greater potential payout, although it would be made in new common shares, not in cash or other securities.

The price used in the calculation is the daily closing price on the American Stock Exchange — which was \$47.75 on Tuesday, up 25 cents. The price before the close, or on other exchanges where the stock is traded, does not count. That has focused attention on the Amex trading of Viacom's Class B shares, particularly late in the day.

Some arbitragers, whose job depends on paying close attention to small and fleeting price differences, are taking advantage of the situation. The price before the close, or on other exchanges where the stock is traded, does not count. That has focused attention on the Amex trading of Viacom's Class B shares, particularly late in the day.

As one result of all the activity, Viacom has accounted for about 18 percent of the Amex's trading volume so far this year, according to Nicholas Waltner, a vice president for equity derivatives at Salomon Brothers Inc.

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Herald Tribune
THE WORLD'S OLD NEWSPAPER

Special Items Hurt TNT

Compiled by Our Staff From Dispatches

SYDNEY — TNT Ltd. said Wednesday its after-tax profit dropped 60 percent in the nine months ended in March, as earnings slumped at its Ansett Airlines and Spanish freight operations.

The transportation company said equity-accounted profit after one-time items in the three quarters was \$4.8 million Australian dollars (\$25 million), compared with \$8.5 million dollars a year earlier. Revenue rose 9 percent, to 4.65 billion dollars.

The result included a one-time loss of 14.7 million Australian dollars attributed to foreign-exchange losses and for restructuring the Spanish freight operations. Profit in the year-earlier period included one-time gains of \$6 million dollars.

Excluding the special items, TNT's nine-month profit rose to 49.5 million dollars from 28.8 million dollars.

"Take out the problem areas like Spain and Ansett, whose problems were flagged to the market in advance, and the result doesn't look too bad," said Rowan Carr, an analyst at F.W. Holt & Co. TNT said it was still reviewing its Spanish operations.

(Bloomberg, Reuters)

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The closing of the liquidation is approved by the Extraordinary General Meeting of Shareholders held on May 22, 1995.

A liquidation dividend per share of USD 20.522 per "A" share and USD 75.971 per "B" share is payable on May 24, 1995 upon remittance of certificates and coupons attached to Kredietbank S.V. Luxembourg, 13, boulevard Royal, Luxembourg.

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SPORTS

Wings and Hawks Take 2-0 Leads

The Associated Press
The Detroit Red Wings were nearly perfect against the San Jose Sharks. Yet, they said, that wasn't good enough.

"We're going to have to play better," forward Shawn Burr said after the 6-2 rout of the Sharks on Tuesday night gave Detroit a 2-0 lead in a Western

third period. A six-goal lead will do that, he said.

And that period the Sharks did end a season-long scoring drought in Detroit with goals by Mike Rathje and Ulf Dahlberg.

Rathje's goal, 6:01 into the period, ended his team's stretch of 232 minutes, 36 seconds without a goal in Joe Louis Arena. The last time the Sharks had scored in Detroit was on Jamie Baker's game-winner at 13:25 of the third period in Game 7 of a first-round series last season.

"It's frustrating," Dahlberg said. "We've got to score some goals. That first period was probably the best I've seen any team play this season."

Said Burr: "We can play better, believe me."

Blackhawks 2, Canucks 0: In Chicago, Jim Cummings scored his first playoff goal. Patrick Poulin added the third-period clincher and goalie Ed Belfour, who tied for the NHL lead with five shutouts this season, got his second in a playoff game.

The other came three years ago during the Blackhawks' run to the Stanley Cup finals.

His best save was a diving stick stop of a shot by Geoff Courtaul just moments before Poulin's breakaway goal at 5:48 of the third period.

The Blackhawks also got Jeremy Roenick back, as he played for the first time since hurting his knee April 2.



Kirk McLean stopped them high and low, but couldn't match Chicago's Ed Belfour.

NHL PLAYOFFS

Conference semifinal. "In two games, we've only played four good periods. We need to play 60-minute games."

The series moves to San Jose, with Game 3 set for Thursday.

Chicago also swept the first two games in its series with Vancouver. Game 3 will be played Thursday in Vancouver.

The Red Wings got first-period goals from Paul Coffey, Sergei Fedorov, Steve Yzerman and Dino Ciccarelli as they quickly blew away the Sharks. Fedorov and Doug Brown scored the next period, making it 6-0.

"They were good and we were bad," San Jose forward Chris Tancil said. "They're too good of a team to fall behind like that. They'll eat you up alive."

Coffey also had an assist, giving him 164 playoff points and a tie with Denis Potvin for most playoff points by a defenseman in NHL history.

Coach Scotty Bowman said the Red Wings got careless in

the third period. A six-goal lead will do that, he said.

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SCOREBOARD

Major League Standings

AMERICAN LEAGUE East Division			
W	L	Pct.	GB
Boston	13	.545	2
New York	13	.545	2
Detroit	14	.538	4
Toronto	14	.538	4
Baltimore	16	.533	7
Cleveland	7	.476	-1
Milwaukee	10	.471	-1
Kansas City	10	.471	-1
Chicago	8	.474	-3
Minnesota	8	.474	-3
West Division			
California	6	.446	-5
Oakland	12	.533	3
Texas	12	.533	3
Seattle	12	.533	3
NATIONAL LEAGUE East Division			
Philadelphia	6	.446	-5
Atlanta	15	.540	3
Montreal	14	.538	3
New York	16	.540	4
Florida	9	.449	-12
Central Division			
Chicago	6	.467	-1
Cincinnati	13	.511	-1
Houston	13	.511	-1
Pittsburgh	9	.455	-7
West Division			
Colorado	13	.511	-7
San Francisco	13	.500	-8
Los Angeles	11	.444	-10
San Diego	11	.444	-10

Tuesday's Line Scores

AMERICAN LEAGUE			
DETROIT	10	10	1.000
BOSTON	13	10	.545
NEW YORK	13	10	.545
MILWAUKEE	14	10	.538
TORONTO	14	10	.538
BALTIMORE	16	10	.533
CLEVELAND	7	10	.476
MILAN	10	10	.500
DETROIT	14	10	.538
BOSTON	13	10	.545
NEW YORK	13	10	.545
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TORONTO	14	10	.538
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DETROIT	14	10	.538
BOSTON	13	10	.545
NEW YORK	13	10	.545
MILWAUKEE	14	10	.538
TORONTO	14	10	.538
BALTIMORE	16	10	.533
CLEVELAND	7	10	.476
MILAN	10		

THURSDAY, MAY 25, 1995

PAGE 21

Big Day Dawns for Rugby — and for South Africa

By Ian Thomisen
International Herald Tribune

JAPETOWN — One Team, One Country.

Much has changed, and much has not. The Rugby World Cup opens play here today, with 16 national teams, perhaps 25,000 foreign spectators and a worldwide television audience of maybe 50 million people — making it a 31-day tournament the best sporting event to visit the African continent.

It amounts to a public unveiling of the new South Africa. Yet the face of the team represents; South Africa might appear restrictive and backward as a bygone administration of apartheid. The team playing at the defending champion Australia in the catastrophic opening match Thursday will be white, entirely white, and the surrounding audience figures to be almost entirely white. The sport that was a symbol here for white supremacy — built from half-century run to 1956, when South Africa was unbeaten in international Test series — will appear, on first glance, no different than during the years of Nelson Mandela's imprisonment on Robben Island a few kilometers offshore.

That appearance isn't true, argues the team's white manager. A black player, Chester Williams, figured to be a star of the team until injury forced him out. (He may still return later this month.) His face, classified as "colored" in the old, recent days, is on the billboards and magazine covers advertising the tournament; but the African majority surely would not be convinced of change from a membership of one. So the unmasking may be premature, or it may enforce quicker change. He minister of South African sport, Steve Tshwete, a black man imprisoned by apartheid who organized and played rugby on Robben Island, has promised President Mandela that the next World Cup in 1999 will see a South African team of mixed race.

Embracing that spirit, if not its practice, Mandela arranged a private meeting with the white players on the eve of what will be South Africa's first appearance in this tournament, which appears to be the fifth-largest in the world behind the two Olympic Games, the soccer World Cup and the World Athletics Championships.

"He is going to provide a massive psychological stimulation," said Morne du Plessis, the white manager of the South African team and former player. "He is the one man in this country that is accepted without qualification by everybody, and that he's coming down to speak to our guys — he signifies something great."

He sounds a tone of support from the rest of the nation, of which 86 percent is not white. Until the sport changes noticeably, any sense of universal support must be funneled through the leadership of Mandela. The players, in their apparent wish to represent the greater society, will benefit from more than his enthusiasm. They will experience the relief of his forgiveness.

"We're not saying that millions of black South Africans

are focusing all their attention on the World Cup," said du Plessis, and he waved toward a sign nearby, a slogan as if from a political campaign: "One Team, One Country."

"We hope it will focus the energies and attentions of many groups of people on one event," he said. "It's not usual for our country. We are so fragmented in what we require for the new South Africa. We have so many groups, so many needs. Eleven languages; Zulus, Kwazulus, Afrikaans. It's rare for us to have mass events, like the inauguration of President Mandela and the election, to pull interest groups together and form one nation. Maybe people will look at this event and say, this is our country, we're doing quite well."

The team has adopted the African working chant "Shosholoza" as its theme song. In noting the universal support they say they're now receiving, the players are issuing a shrouded apology for the past.

"It's the first time the whole country is behind us," said Francois Pienaar, the team captain from Transvaal Province. "In the past it would have been 2 million people; now it's 40 million. The support from all races in South Africa is fantastic. We're just getting tired of signing all the autographs."

The coming month would seem to bring the first international opportunity for all South Africans to cheer for one team, wave the flag and brag to the world of what their country represents.

However, there can be no predicting how the majority of South Africans will view the sport that was seen as an instrument of their oppression. As recently as 1992, when South Africa reappeared internationally in a Test match with New Zealand, the white marching band and the white crowd in Johannesburg belted out the Afrikaans anthem "Die Stem" in defiance of a recently-negotiated settlement with the African National Congress. That demonstration, at the risk of wrecking negotiations to reopen South African sport, was orchestrated by Louis Luyt, now chairman of the Organizing Committee for the South Africa Rugby Football Union.

The SARFU last week announced a \$1.3 million plan to develop the sport throughout the country. Quoting evidence that fewer than 20 percent of township residents play any kind of sport, the rugby union is creating a national "Superkids" project inviting children to bi-monthly clinics in 65 townships. Wherever the Springbok team is training, it now conducts a clinic in a nearby township. Fifteen to 20 township stadiums are being considered for renovation or rebuilding. Affirmative action is being applied to the national under-17 and under-19 teams, which are selected on a 50/50 white/non-white basis.

"It's different even in our community," said Williams, of Paarl near Cape Town; elder members of his family, all good players, were restricted from the opportunities which have made a role model of him (and only him, so far). "They're putting in more money to get facilities. Now we're seeing scrumming machines, rugby poles,

Pool A		All times GMT
Australia	vs.	South Africa
May 26, Cape Town 1330		
Canada	vs.	Romania
May 28, Port Elizabeth 1800		
Australia	vs.	Romania
May 30, Cape Town 1230		
South Africa	vs.	Canada
May 31, Port Elizabeth 1100		
Australia	vs.	Romania
June 2, Stellenbosch 1300		
Australia	vs.	South Africa
May 27, Western Samoa 1100		
Western Samoa	vs.	Italy
May 27, Durban 1500		
England	vs.	Argentina
May 30, East London 1030		
Western Samoa	vs.	Argentina
May 31, Durban 1500		
England	vs.	Italy
June 4, East London 1100		
Argentina	vs.	Italy
June 4, Durban 1800		
England	vs.	Western Samoa

Pool C		
May 27, Bloemfontein 1300		
Wales	vs.	Japan
May 27, Johannesburg 1800		Ireland
New Zealand	vs.	Japan
May 31, Bloemfontein 1300		Wales
Ireland	vs.	Japan
May 31, Johannesburg 1800		Wales
New Zealand	vs.	Japan
June 4, Bloemfontein 1300		Wales
New Zealand	vs.	Wales
June 4, Johannesburg 1500		Wales
Ireland	vs.	Wales

Pool D		
May 26, Rustenburg 1400		Ivory Coast
Scotland	vs.	Tonga
May 26, Pretoria 1600		Ivory Coast
France	vs.	Tonga
May 30, Rustenburg 1600		Ivory Coast
France	vs.	Tonga
May 30, Pretoria 1800		Ivory Coast
Scotland	vs.	Tonga
June 3, Rustenburg 1100		Ivory Coast
Tonga	vs.	France
June 3, Pretoria 1500		France
Scotland	vs.	France

fields — there is money for all the people of South Africa."

Yet, as someone mentioned him, an all-black South African team from Ithuba recently stormed to the final of the famous Middlesex Sevens tournament in England, arousing tremendous support from the fans there — but receiving almost no coverage back in South Africa.

"I didn't even know there was a team playing overseas," Williams admitted without a sense of irony.

It is a sport whose power runs north and south, whereas the rest of the world runs east and west. This tournament will be

almost totally ignored by the United States and the former Eastern bloc. In spite of a shocking return of 450,000 tickets from overseas, tournament organizers are expecting record crowds and a tourism infusion worth up to \$300 million. But it isn't a clean picture of hope. The government is wary of tourists experiencing the high level of violence attendant to the political and social upbeats of South Africa.

"I am happy because now people are realizing every-

body in South Africa can play rugby — and not only rugby," Williams was saying Wednesday morning. "A lot of people want to play soccer, golf, basketball — they know now that any fellow can play any sport. That is why I always try to stay in the Springbok side, to motivate other people."

His absence will be noticed universally. Perhaps it was just coincidence, but standing-room tickets were still available as he spoke.

SIDELINES

Wales Can Host 1999 Tournament

JOHANNESBURG (AP) — Wales is the organizers' top choice to host the 1999 tournament, the Rugby World Cup, which stages the competition every four years, announced Wednesday.

It was the first time the possible host of the next World Cup had been indicated before the start of the previous tournament. Wales, along with England, Scotland, Ireland and France, hosted the 1991 World Cup.

For the Record

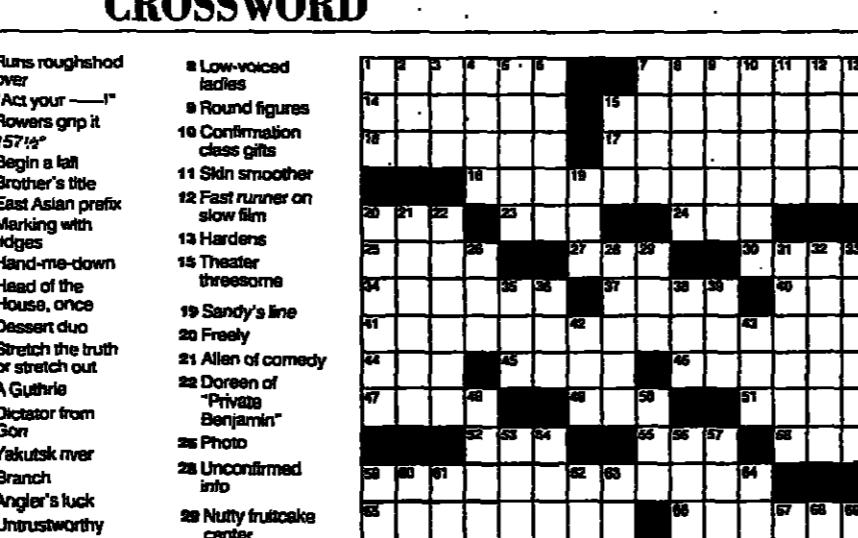
Paul Ince, the Manchester United player, was cleared by a court of punching a fan and using threatening behaviour at the Premier League match against Crystal Palace in January. (Reuters)

Mike Tyson will fight Peter McNeely on Aug. 19 in Las Vegas in his first bout since being released from prison March 25. (AP)

Croatia can host any more international matches because of the resumption in violence in that nation, UEFA said. (AP)

Jean-Christophe Bouffon, Williams-Renault's French test driver, signed a contract with the Formula One team Sauber-Ford and will make his debut in Sunday's Monaco Grand Prix. (AP)

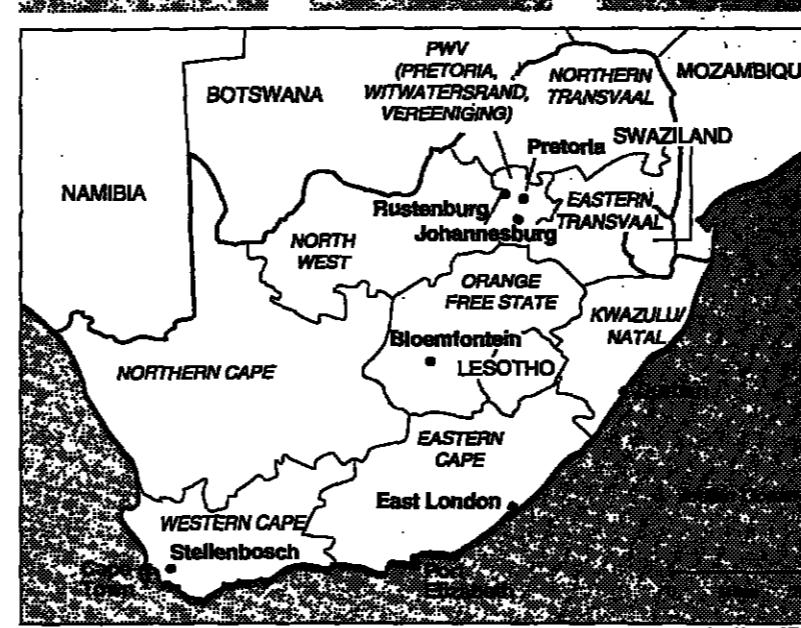
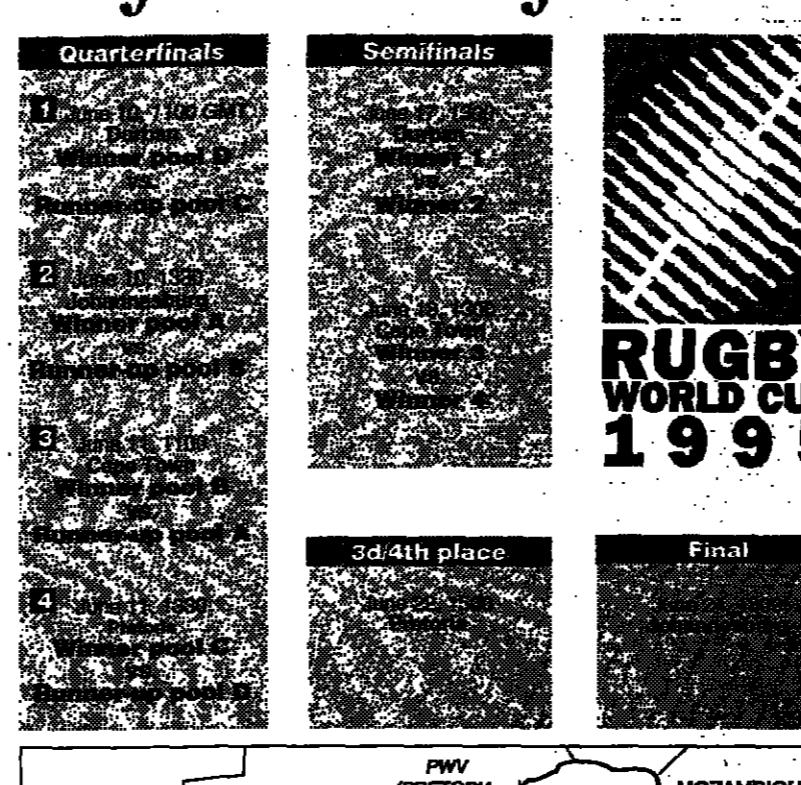
CROSSWORD



Solution to Puzzle of May 24

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ERIK OOO ENDEAR
HONOLULU TRIPLE
AMA APISH AGES
BALANCE EAGER
SCORSESE TET
DAMPEN MILK SIDE
ARIES BHS CIRCO
FINN SEA SITING
TAH TITICACA
ERICA AVARICE
HOHUM COBAD NOL
URANIA PAGANINI
BEHIND ANE EGASO
SLANGS LAS BONE

18 Indian export, 19 Familiar, 20 Jargon suffix.



Ajax Wins the Cup On 18-Year-Old's 85th-Minute Goal

The Associated Press

VIEENNA — Patrick Kluivert, an 18-year-old forward who had entered the game only 16 minutes earlier, scored seven minutes from the end as Ajax beat AC Milan, 1-0, Wednesday and won its fourth European Champions Cup.

That ended Milan's reign and that of coach Louis van Gaal.

Van Gaal was ordered back to the bench by a UEFA official but continued to argue until the Romanian referee Ion Craciunescu intervened.

French midfielder Marcel Desailly, who played well to keep the pressure off his defense, moved up to produce a diving header in the opening minute of the second half, but it was too high.

Then Ajax sent on the Nigerian forward Nwankwo Kanu, another 18-year-old, as substitute for midfielder Clarence Seedorf in the 52d minute and his first touch set up a half chance for Finidi George, who was tackled in the area by Paolo Maldini. Ajax called for a penalty but Milan got the best chance of the half.

Rijkaard lost possession to Daniele Massaro only 30 meters from the Dutch goal and the ball was switched swiftly out to Roberto Donadoni on the right.

The midfielder, one of five Milan players on Italy's World Cup runner-up last season, scooped the ball over the Ajax defense and Marco Rossi fired a left-footer goalward.

The shot was so hard that Ajax goalkeeper Edwin van der Sar didn't save it; the ball simply hit him and bounded away for a corner. Rossi fell onto his back in disbelief.

Before that there was little action for either goalkeeper. The first on-target shot, in the 26th, was a weak one from Simone that went straight at Van der Sar anyway.

At the other end, Rossi then prevented a heavier Milan effort with a spectacular stop at the foot of the post in the final minute to keep out a close-range shot from Danny Blind.

Kanu also drove just wide of the Milan goal from 20 and then came the matchwinner.

The Italians sent on Gianni Lentini, soccer's most expensive player at \$20.8 million, and Dutch defender Frank De Boer rescued his team when he cleared the ball with his goal-kick well off the line.

The atmosphere was starkly different early in the game. The Pacer zoomed to a 10-0 lead, then extended it to 23-5 as the crowd, raucous in pregame activities, sat stunned. On the Orlando bench, the players looked bewildered.

"Basically we had no fire," Dennis Scott, the veteran guard, said. "After Miller's jumper broke the streak, Scott sank two more 3-pointers before quarter's end.

The Magic finally drew even at 27-all on Jeff Turner's two free throws and a dunk by Hardaway to open the second quarter. But it wasn't until 3:46 into the quarter that Orlando was able to muster its first lead.

Before halftime, there were six more lead changes as the game's intensity picked up. Then Orlando won it with the torrid third quarter.

ART BUCHWALD

Balancing the Budget

WASHINGTON — I keep hearing from the budget cutters of both parties that if we don't balance the budget, there will be no money left for our children and grandchildren.

On paper this is a telling argument, but then I wonder: if making the sacrifice will be appreciated. Will our offspring say as much as "thank you" for what we have done for them? This thought often comes to me when I look around at the generation we raised — the so-called "baby boomers" who are now worried that there won't be anything left in the Social Security system when they become eligible.



Buchwald

to thank us. Most of them had never heard the word "no."

At some point — it might have been on the Fourth of July in 1970 — the people of my generation said, "We have been doing all this for the next generation, and they only spit in our eye. Let's spend a few bucks on ourselves."

Well, we started doing it in style. At first we used up the surplus, then we began to borrow money wherever we could get it. We hit a trillion-dollar debt in no time, before some spoilsport economists complained that we were leaving a legacy of enormous debt.

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When one kid challenged me on the subject I told him, "It was our money, and we could do anything we wanted with it."

So here we are. We have been told that we must go back to our parsimonious ways, cut the pork and face a reality check.

I told my friend Kevin Hennessey, "They tell us we have to stop spending the government's money, especially for Medicare and unwed mothers."

Kevin said, "What about farm subsidies? They're cutting those, too."

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"What about tax cuts?"

"The Republicans say that you can have a tax cut."

"What about school prayer?"

"We have to have that to balance the budget."

Hennessey said, "That does it. I'm going to take a nap."

O.K., so our generation will sacrifice Medicare to make up the trillion. We have every intention of balancing the budget — but it will be the last time we do it.

Moore Estate Won't Open*The Associated Press*

PERRY GREEN, England — Trustees of Henry Moore's estate here had planned to open the house and studios where the sculptor worked for nearly 50 years to many more visitors, but planning officials rejected the idea, keeping the limit of visitors at 2,500 a year, by appointment only, the trustees said.

It didn't take long for them to realize that they were on to a good thing, and the more we gave, the more they took for granted. The reason it hurt was that none of them felt obligated